

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

JUL 14 2004

PUBLIC SERVICE
COMMISSION

In the Matter of:

AN EXAMINATION OF THE)
APPLICATION OF THE FUEL)
ADJUSTMENT CLAUSE OF KENTUCKY) CASE NO. 2004-00213
UTILITIES COMPANY FROM NOVEMBER)
1, 2003 THROUGH APRIL 30, 2004)

PETITION OF
KENTUCKY UTILITIES COMPANY
FOR CONFIDENTIAL PROTECTION

Kentucky Utilities Company ("KU") petitions the Public Service Commission of Kentucky ("Commission") pursuant to 807 KAR 5:001, Section 7, to grant confidential protection to certain information relating to KU's solicitations for coal during the review period. In support of this Petition, KU states as follows:

1. On June 23, 2004, the Commission issued an Order in this proceeding which, among other things, directed KU to provide certain information relating to the cost of fuel during the period under review. Among the items requested by Item 17(b) of Appendix A to the Commission's Order was confidential information concerning KU's coal vendors, including the identity of those who responded to each coal solicitation, the bid tabulation sheets for each coal supply solicitation, and an explanation for each selection.

2. The Kentucky Open Records Act exempts from disclosure certain commercial information. KRS 61.878(1)(c). To qualify for this exemption and, therefore, maintain the confidentiality of the information, a party must establish that disclosure of the commercial information would permit an unfair advantage to competitors of the party seeking confidentiality.

3. KU's response to Item 17(b) of Appendix A to the Commission's Order regarding bid tabulation sheets, solicited and responding bidders and explanations of selections contains

sensitive commercial information, the disclosure of which would unfairly advantage KU's competitors for both coal supplies and wholesale power sales. Any impairment of its ability to obtain the most advantageous price possible from coal suppliers will necessarily erode KU's competitive position among other electric utilities with whom KU competes for new and relocating industrial customers and for off-system sales.

4. Further, disclosure of these documents will damage KU's competitive position and business interests. These documents disclose how KU evaluates responses to solicitations for coal supply. This is highly sensitive information that, if made public, would enable future bidders to manipulate the solicitation process to the detriment of KU and its ratepayers. Instead of giving its best price and terms in its bid, a coal supplier with knowledge of KU's evaluation process and results could adjust its bid to correspond with KU's past bidding history on terms and prices. As a result, KU will not get the same quality of bids that would be produced by a system protected by the confidentiality employed by unregulated businesses. Any impairment of KU's ability to obtain fair prices for its coal supply will either increase the price KU and its customers will pay for coal or make its coal supply contracts less reliable, or both. As a result, KU will not be able to compete effectively for reasonably priced coal supplies, for new retail load, and for off-system sales.

5. This damage is exacerbated by the interstate nature of the competition KU faces for the sale of off-system power. Obviously, competitors of KU in this market that are located in another state are not subject to the Commission's regulations regarding the filing of coal supply cost information, and some enjoy utility commission-provided confidentiality protection for their coal contracts. To KU's knowledge, utilities located in Indiana, Ohio, West Virginia, and Pennsylvania are provided some protection for confidential coal supply data.

6. The information for which KU is seeking confidential treatment is not known outside of KU, and it is not disseminated within KU except to those employees with a legitimate business need to know and act upon the information.

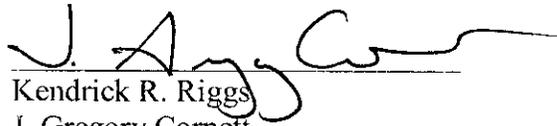
7. The information for which KU seeks confidential protection in this case is identical to that requested by the Commission on December 27, 1993 in Case No. 92-493-B and on December 19, 2003 in Case No. 2003-00455, which information was accorded confidential protection by the Commission. See e.g., Letter of Thomas M. Dorman dated February 19, 2002 in Case No. 2000-497-B, and Letter of Thomas M. Dorman dated January 20, 2004 in Case No. 2003-00455. KU does not object to disclosure of the confidential information, pursuant to a protective agreement, to any intervenors with a legitimate interest in monitoring KU's fuel costs.

8. In accordance with the provisions of 807 KAR 5:001 Section 7, one copy of KU's response to the Commission's request with the confidential information highlighted and ten (10) copies of KU's response without the confidential information is herewith filed with the Commission.

WHEREFORE, Kentucky Utilities Company respectfully requests that the Commission grant confidential protection, or in the alternative, schedule an evidentiary hearing on all factual issues.

Dated: July 14, 2004

Respectfully submitted,

A handwritten signature in black ink, appearing to read "K. Riggs", written over a horizontal line.

Kendrick R. Riggs
J. Gregory Cornett
OGDEN NEWELL & WELCH PLLC
1700 Citizens Plaza
Louisville, KY 40202
Telephone: (502) 582-1601

Dorothy E. O'Brien
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220 West Main Street
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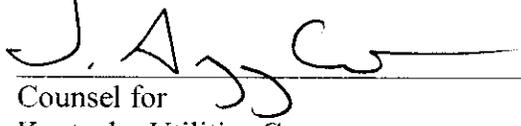
COUNSEL FOR
KENTUCKY UTILITIES COMPANY

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the foregoing Petition for Confidential Protection was served on the following parties of record this 14th day of July 2004, by mailing a copy thereof, postage prepaid, through the U.S. Mail to:

Hon. Elizabeth E. Blackford
Assistant Attorney General
Office of Rate Intervention
1024 Capital Center Drive, Suite 200
Frankfort, Kentucky 40601-8204

Hon. Michael L. Kurtz
Boehm, Kurtz & Lowry
36 East Seventh Street, Suite 1510
Cincinnati, Ohio 45202



Counsel for
Kentucky Utilities Company

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix A of
Commission's Order Dated June 23, 2004**

Case No. 2004-00213

Question No. 17

Witness: Mike Dotson

Q-17. List each written coal supply solicitation issued during the period from November 1, 2003 to April 30, 2004.

- a. For each solicitation, provide the date of the solicitation, the type of solicitation (contract or spot), the quantities solicited, a general description of the quality of coal solicited, the time period over which deliveries were requested, and the generating unit(s) for which the coal was intended.
- b. For each solicitation, state the number of vendors to whom the solicitation was sent, the number of vendors who responded, and the selected vendor. Provide the bid tabulation sheet or corresponding document that ranked the proposals. (This document should identify all vendors who made offers.) State the reasons for each selection.

A-17. SOLICITATION #1

- a. Date: March 1, 2004
Contract/Spot: Contract or Spot
Quantities: No minimum or maximum specified
Quality: Suitable for KU's Tyrone station.
Period: Up to 5 years
Generating Units: KU's Tyrone station.
- b. March 1, 2004 Solicitation:
Number of vendors receiving bids: 78
Number of vendors responded: 4
Selected vendor(s): LEX Coal, Inc./KUF04009

The requested bid analysis information is confidential and proprietary information and is being filed with the Commission under seal pursuant to a Petition for Confidential Protection.

SOLICITATION #2

- a. Date: March 24, 2004
Contract/Spot: Contract or Spot
Quantities: No minimum or maximum specified
Quality: Suitable for KU's E.W. Brown station.
Period: Up to 5 years
Generating Units: KU's E.W. Brown station.

- b. March 24, 2004 Solicitation:
Number of vendors receiving bids: 163

Number of vendors responded: 12

Selected vendor(s): The final selection of the vendors has not been made at this time. Negotiations are still in progress. The names of the selected vendors and the supporting bid tabulation sheet will be provided to the Commission after the negotiations are complete and the vendors chosen.

SOLICITATION #3

- a. Date: April 14, 2004
Contract/Spot: Contract or Spot
Quantities: No minimum or maximum specified
Quality: Suitable for KU's Ghent station compliance units 2,3,4 and Green River Station units.
Period: Up to 5 years
Generating Units: KU's Ghent station units 2,3,4 and Green River station.

- b. April 14, 2004 Solicitation:
Number of vendors receiving bids: 186

Number of vendors responded: 15

Selected vendor(s): The final selection of the vendors has not been made at this time. Negotiations are still in progress. The names of the selected vendors and the supporting bid tabulation sheet will be provided to the Commission after the negotiations are complete and the vendors chosen.



ORIGINAL

In the Matter of

AN EXAMINATION OF THE APPLICATION OF)	
THE FUEL ADJUSTMENT CLAUSE OF)	CASE NO.
KENTUCKY UTILITIES COMPANY FROM)	2004-00213
NOVEMBER 1, 2003 THROUGH APRIL 30, 2004)	

Response to Information Requested in Appendix A
Of Commission's Order dated 6/23/04
FILED: JULY 14, 2004



LG&E Energy LLC
220 West Main Street (40202)
P.O. Box 32030
Louisville, Kentucky 40232

July 14, 2004

Elizabeth O'Donnell
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40601

RECEIVED

JUL 14 2004

PUBLIC SERVICE
COMMISSION

**RE: AN EXAMINATION OF THE APPLICATION OF THE FUEL
ADJUSTMENT CLAUSE OF KENTUCKY UTILITIES COMPANY
FROM NOVEMBER 1, 2003 THROUGH APRIL 30, 2004
CASE NO. 2004-00213**

Dear Ms. O'Donnell:

Please find enclosed and accept for filing the original and four (4) copies of the Response of Kentucky Utilities Company to the Information Requested in Appendix A of the Commission's Order dated June 23, 2004, in the above-reference matter.

Also, enclosed are an original and ten (10) copies of a Petition for Confidential Treatment regarding certain information requested in Question No. 17.

Should you have any questions concerning the enclosed, please contact me at your convenience.

Sincerely,

Robert M. Conroy
Manager, Rates

Enclosures

cc: Parties of Record



**COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION**

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PUBLIC SERVICE
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In the Matter of:

**AN EXAMINATION OF THE)
APPLICATION OF THE FUEL)
ADJUSTMENT CLAUSE OF KENTUCKY) CASE NO. 2004-00213
UTILITIES COMPANY FROM)
NOVEMBER 1, 2003 THROUGH APRIL)
30, 2004)**

**RESPONSE OF
KENTUCKY UTILITIES COMPANY
TO
INFORMATION REQUESTED IN
APPENDIX A OF COMMISSION'S ORDER
DATED JUNE 23, 2004**

FILED: JULY 14, 2004

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix A of
Commission's Order Dated June 23, 2004**

Case No. 2004-00213

Question No. 1

Witness: Mike Dotson

Q-1. For the period from November 1, 2003 through April 30, 2004, list each vendor from whom coal was purchased and the quantities and the nature of each purchase (e.g., spot or contract).

A-1. Please see attachment.

**RESPONSE TO PSC ORDER
DATED: JUNE 24, 2004
PSC CASE NO. 2004-00213**

<u>VENDOR</u>	<u>PURCHASE TYPE</u>	<u>PURCHASE TONNAGE</u>
AEI Coal	C	9,409
American Mining	C	102,289
Arch Coal	C	403,634
Argus (Pen)	C	11,628
Black Beauty	C	124,204
Black Hawk	C	496,476
Central Coal Company	C	66,163
Ceredo Synfuel	C	135,765
Consol	C	593,780
Dodge Hill	C	123,395
KRT/RC Synfuel	C	17,537
Lafayette Coal Co.	C	65,850
Marmet Synfuel	C	382,123
Massey	C	60,616
Perry County Coal	C	227,151
Pike Letcher Synfuel, LLC	C	97,046
Progress Fuels Corp	C	185,684
Smoky Mountain	C	77,277
Solid Energy	C	61,904
AEP Coal, Inc.	S	59,294
American Mining	S	65,377
AMG	S	43,815
Arch Coal	S	48,214
C/C Chemical	S	32,026
Ceredo Synfuel	S	36,507
Consol	S	65,290
Lex Coal, Inc.	S	10,840
Perry County Coal	S	9,053
Progress Fuels Corp	S	43,324
Sandy River Synfuel	S	11,724
Solid Energy	S	53,301
	<u>TOTAL</u>	<u>3,720,695</u>

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix A of
Commission's Order Dated June 23, 2004**

Case No. 2004-00213

Question No. 2

Witness: John Malloy / Mike Dotson

Q-2. For each generating station or unit for which a separate coal pile is maintained, state for the period from November 1, 2003 through April 30, 2004 the actual amount of coal burned in tons, actual amount of coal deliveries in tons, total KWH generated, and actual capacity factor at which the plant operated.

A-2. For November 1, 2003 to April 30, 2004

According to NERC GADS definitions, Capacity Factor is equal to the Net MWH produced divided by the product of the hours in the period times the unit rating.

Plant	Coal Burn (Tons)	Coal Receipts (Tons)	Net MWH	Capacity Factor (Net MWH)/ (period hrs x MW rating)
E. W. Brown	774,378	747,472	1,868,057	61.1%
Ghent 1	617,322	605,399	1,430,665	69.0%
Ghent 2, 3, 4	1,984,852	2,088,161	4,330,262	68.5%
Green River	243,411	194,906	487,450	59.7%
Tyrone (Coal Unit Only)	74,346	84,758	140,050	44.2%

KENTUCKY UTILITIES COMPANY

Response to Information Requested in Appendix A of Commission's Order Dated June 23, 2004

Case No. 2004-00213

Question No. 3

Witness: John Malloy

Q-3. List all firm power commitments for KU from November 1, 2003 through April 30, 2004 for (a) purchases and (b) sales. This list shall identify the electric utility, the amount of commitment in MW, and the purpose of the commitment (e.g., peaking, emergency).

A-3. a) Firm Purchases

<u>Utility</u>	<u>MW</u>	<u>Purpose</u>
Electric Energy Inc.	200 MW	Baseload
Owensboro Municipal Utilities	~ 191 MW	Baseload

Additionally, KU and LG&E (the "Companies") are among several sponsoring companies under the Inter-Company Power Agreement ("Agreement") that became eligible for the power and energy released from OVEC's Kyger Creek plant in Cheshire, Ohio and IKEC's Clifty Creek plant at Madison, Indiana, effective August 31, 2001. Generating capacities are 1,075 MW and 1,290 MW for Kyger Creek and Clifty Creek, respectively. Under the Agreement, KU's contractual allocation is 2.5% and LG&E's contractual allocation is 7% of the power from the OVEC plants through March 12, 2006. The values below represent the maximum monthly capacity to be available to the Companies after taking into consideration the maintenance schedule of the eleven units operated by OVEC.

<u>Utility</u>	<u>Companies' Amount</u>	<u>KU Portion</u>	<u>Purpose</u>
OVEC, Nov. 2003	~ 205 MW	~ 54 MW	Baseload
OVEC, Dec. 2003	~ 208 MW	~ 55 MW	Baseload
OVEC, Jan. 2004	~ 209 MW	~ 55 MW	Baseload
OVEC, Feb. 2004	~ 193 MW	~ 51 MW	Baseload
OVEC, Mar. 2004	~ 177 MW	~ 47 MW	Baseload
OVEC, Apr. 2004	~ 181 MW	~ 48 MW	Baseload

b) Sales: None.

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix A of
Commission's Order Dated June 23, 2004**

Case No. 2004-00213

Question No. 4

Witness: Robert M. Conroy

- Q-4. Provide a monthly billing summary for sales to all electric utilities for the period November 1, 2003 through April 30, 2004.

- A-4. Please see the attached monthly form B sheets for the period November 2003 through April 2004.

POWER TRANSACTION SCHEDULE

Month Ended: NOVEMBER 30, 2003

Company	Type of Transaction	KWH	Billing Components			Total Charges(\$)
			Demand(\$)	Fuel Charges(\$)	Other Charges(\$)	
Purchases						
ASSOCIATED ELECT COOPERATIVE	AECI Economy	365,000		16,033.06	-	16,033.06
AMERICAN ELECTRIC POWER SERVICE CORP.	AEP Economy	183,000		17,369.32	-	17,369.32
AMEREN ENERGY, INC.	AMRN Economy	144,000		4,443.21	-	4,443.21
BIG RIVERS ELECTRIC CORP.	BREC Economy	34,000		1,162.60	-	1,162.60
BIG RIVERS ELECTRIC CORP.	BREC Economy	10,000		1,053.53	-	1,053.53
CINERGY SERVICES, INC.	CIN Economy	293,000		11,297.66	-	11,297.66
DAYTON POWER AND LIGHT COMPANY	DPL Economy	31,000		1,179.06	-	1,179.06
DUKE ENERGY TRADING AND MARKETING LLC	DETM Economy	649,000		21,694.56	-	21,694.56
DYNEGY POWER MARKETING, INC.	DYN Economy	53,000		2,004.47	-	2,004.47
EAST KENTUCKY POWER COOPERATIVE	EKPC Economy	6,000		633.22	-	633.22
ENTERGY-KOCH TRADING, LP	ENTE Economy	114,000		3,365.58	-	3,365.58
EXELON GENERATION COMPANY, LLC	EXEL Economy	15,000		683.88	-	683.88
HOOSIER ENERGY RURAL ELECTRIC COOP.	HE Economy	32,000		621.19	-	621.19
INDIANAPOLIS POWER & LIGHT CO.	IPAL Economy	467,000		11,443.14	-	11,443.14
KANSAS CITY POWER & LIGHT	KCPL Economy	8,000		316.61	-	316.61
NO. INDIANA PUBLIC SERVICE CO.	NIPS Economy	882,000		27,989.34	-	27,989.34
SOUTHERN COMPANY SERVICES, INC	SOUT Economy	125,000		4,670.34	-	4,670.34
SOUTHERN INDIANA GAS & ELECTRIC CO.	SIGE Economy	29,000		1,322.80	-	1,322.80
WESTAR ENERGY, INC.	WSTR Economy	71,000		2,980.90	-	2,980.90
LOUISVILLE GAS & ELECTRIC	LGE Economy	222,878,000		2,893,381.61	1,658.89	2,895,040.50
OWENSBORO MUNICIPAL UTILITIES	OMU Economy	140,113,000	1,287,557.83	1,710,693.18	-	2,998,251.01
OHIO VALLEY ELECTRIC CORPORATION	OVEC Surplus	25,263,000	383,527.00	324,301.13	-	707,828.13
ELECTRIC ENERGY INC	EEL Permanent	126,543,000	1,104,222.32	1,318,958.59	-	2,423,180.91
TOTAL		518,308,000	2,775,307.15	6,377,598.98	1,658.89	9,154,565.02

* ENERGY CHARGES AS APPLICABLE ON PURCHASES OF ECONOMY ENERGY.

Sales						
ASSOCIATED ELECT COOPERATIVE	AECI Non-Displacement	7,634,000		122,399.48	82,085.36	204,484.84
AMERICAN ELECTRIC POWER SERVICE CORP.	AEP Non-Displacement	6,461,000		136,115.61	91,346.03	227,461.64
AMEREN ENERGY, INC.	AMRN Non-Displacement	1,673,000		30,651.09	20,569.68	51,220.77
AMERICAN MUNICIPAL POWER-OHIO, INC.	AMPO Non-Displacement	6,000		163.76	109.90	273.66
BRANSKAN ENERGY MARKETING, INC.	BRAS Non-Displacement	3,485,000		56,505.43	37,920.31	94,425.74
BIG RIVERS ELECTRIC CORP.	BREC Non-Displacement	465,000		5,273.62	3,539.07	8,812.69
BIG RIVERS ELECTRIC CORP.	BREC Non-Displacement	62,000		3,906.71	2,621.75	6,528.46
CARGILL- ALLIANT, LLC	CARG Non-Displacement	619,000		10,140.71	6,805.35	16,946.06
CINERGY SERVICES, INC.	CIN Non-Displacement	1,339,000		29,016.09	19,472.45	48,488.54
COBB ELECTRIC MEMBERSHIP CORPORATION	COBB Non-Displacement	265,000		3,693.34	2,478.56	6,171.90
CONOCOPHILLIPS COMPANY	CONO Non-Displacement	60,000		824.90	553.58	1,378.48
CONSTELLATION POWER SOURCE, INC.	CONS Non-Displacement	1,670,000		30,939.16	20,763.00	51,702.16
EDISON ENERGY MARKETING, INC.	DEMI Non-Displacement	2,507,000		53,457.97	35,875.18	89,333.15
EDISON	DETE Non-Displacement	984,000		15,971.38	10,718.25	26,689.63
DAYTON POWER AND LIGHT COMPANY	DPL Non-Displacement	2,247,000		41,958.83	28,158.21	70,117.04
DUKE ENERGY TRADING, INC.	DTE Non-Displacement	1,918,000		28,245.53	22,043.64	50,289.17
DUKE ENERGY TRADING AND MARKETING LLC	DETM Non-Displacement	1,421,000		23,278.76	12,686.87	35,965.63
EAST KENTUCKY POWER COOPERATIVE	EKPC Non-Displacement	11,813,000		196,920.52	132,151.67	329,072.19
ENTERGY-KOCH TRADING, LP	ENTE Non-Displacement	799,000		13,215.01	8,868.49	22,083.50
EXELON GENERATION COMPANY, LLC	EXEL Non-Displacement	445,000		7,726.22	5,185.00	12,911.22
HOOSIER ENERGY RURAL ELECTRIC COOP.	HE Non-Displacement	360,000		4,576.49	3,071.23	7,647.72
ILLINOIS MUNICIPAL ELECTRIC AGENCY	IMEA Non-Displacement	90,000		3,087.74	2,072.15	5,159.89
INDIANA MUNICIPAL POWER AGENCY	IMPA Non-Displacement	93,000		3,256.83	2,185.63	5,442.46
INDIANAPOLIS POWER & LIGHT CO.	IPAL Non-Displacement	95,000		3,223.74	2,163.41	5,387.15
KANSAS CITY POWER & LIGHT	KCPL Non-Displacement	7,255,000		127,056.78	85,266.70	212,323.48
LG&E ENERGY MARKETING INC.	LEM Non-Displacement	1,613,000		26,909.45	18,058.70	44,968.15
MORGAN STANLEY CAPITAL GROUP, INC.	MS Non-Displacement	1,013,000		21,196.07	14,224.50	35,420.57
NO. INDIANA PUBLIC SERVICE CO.	NIPS Non-Displacement	1,306,000		25,533.42	17,135.26	42,668.68
NORTHERN STATES POWER COMPANY	NSP Non-Displacement	17,000		351.00	235.55	586.55
OHIO VALLEY ELECTRIC CORPORATION	OVEC Non-Displacement	7,000		456.38	306.28	762.66
SOUTHERN COMPANY SERVICES, INC	SOUT Non-Displacement	79,000		1,990.73	1,335.96	3,326.69
SELECT ENERGY, INC.	SELE Non-Displacement	1,013,000		20,953.56	14,061.75	35,015.31
SOUTHEASTERN POWER ADMINISTRATION	SEPA Non-Displacement	1,569,000		18,969.29	12,730.13	31,699.42
SOUTHERN INDIANA GAS & ELECTRIC CO.	SIGE Non-Displacement	1,306,000		23,027.25	15,453.38	38,480.63
SOUTHERN ILLINOIS PUBLIC SER.	SIPC Non-Displacement	69,000		829.09	556.39	1,385.48
SPLIT ROCK ENERGY LLC	SPRE Non-Displacement	274,000		4,050.44	2,718.22	6,768.66
STRATEGIC ENERGY LLC	STRA Non-Displacement	14,000		429.65	288.34	717.99
THE ENERGY AUTHORITY	TEA Non-Displacement	1,312,000		22,531.49	15,120.68	37,652.17
TENNESSEE VALLEY AUTHORITY	TVA Non-Displacement	6,706,000		102,715.46	68,931.49	171,646.95
WESTAR ENERGY, INC.	WSTR Non-Displacement	8,982,000		147,950.19	99,288.13	247,238.32
WABASH VALLEY POWER ASSOCIATION	WVPA Non-Displacement	538,000		10,108.51	6,783.76	16,892.27
OWENSBORO MUNICIPAL UTILITIES	OMU Non-Displacement	7,576,000		110,048.41	24,787.40	134,835.81
OWENSBORO MUNICIPAL UTILITIES	OMU Allowances	-		-	8,127.00	8,127.00
LOUISVILLE GAS & ELECTRIC	LGE Non-Displacement	155,320,000		2,341,581.43	233,892.61	2,575,474.04
TOTAL		242,480,000		3,831,237.52	1,192,747.00	5,023,984.52

POWER TRANSACTION SCHEDULE

Month Ended: DECEMBER 31, 2003

Company	Type of Transaction	KWH	Billing Components			Total Charges(\$)
			Demand(\$)	Fuel Charges(\$)	Other Charges(\$)	
Purchases						
ASSOCIATED ELECT COOPERATIVE	AECI	Economy	585,000	37,994.20	-	37,994.20
AMERICAN ELECTRIC POWER SERVICE CORP.	AEP	Economy	998,000	63,313.63	-	63,313.63
AMEREN ENERGY, INC.	AMRN	Economy	473,000	13,276.49	-	13,276.49
AQUILA ENERGY MARKETING CORP.	AQLA	Economy	62,000	3,734.05	-	3,734.05
BIG RIVERS ELECTRIC CORP.	BREC	Economy	10,000	1,090.23	-	1,090.23
CINERGY SERVICES, INC.	CIN	Economy	1,210,000	48,706.32	-	48,706.32
CONSTELLATION POWER SOURCE, INC.	CONS	Economy	56,000	2,808.13	-	2,808.13
DAYTON POWER AND LIGHT COMPANY	DPL	Economy	180,000	7,188.55	-	7,188.55
DTE ENERGY TRADING, INC.	DTE	Economy	410,000	19,353.30	-	19,353.30
DUKE ENERGY TRADING AND MARKETING LLC	DETM	Economy	258,000	9,364.22	-	9,364.22
DYNEGY POWER MARKETING, INC.	DYN	Economy	750,000	28,703.60	-	28,703.60
EAST KENTUCKY POWER COOPERATIVE	EKPC	Economy	10,000	1,011.94	-	1,011.94
ENTERGY-KOCH TRADING, LP	ENTE	Economy	231,000	15,014.05	-	15,014.05
EXELON GENERATION COMPANY, LLC	EXEL	Economy	409,000	9,681.46	-	9,681.46
HOOSIER ENERGY RURAL ELECTRIC COOP.	HE	Economy	104,000	1,953.55	-	1,953.55
INDIANAPOLIS POWER & LIGHT CO.	IPAL	Economy	317,000	6,630.21	-	6,630.21
KANSAS CITY POWER & LIGHT	KCPL	Economy	311,000	6,477.16	-	6,477.16
NO. INDIANA PUBLIC SERVICE CO.	NIPS	Economy	320,000	10,350.60	-	10,350.60
SOUTHERN COMPANY SERVICES, INC	SOUT	Economy	24,000	850.03	-	850.03
SOUTHERN INDIANA GAS & ELECTRIC CO.	SIGE	Economy	411,000	15,816.33	-	15,816.33
TENASKA POWER SERVICES CO.	TPS	Economy	136,000	4,791.02	-	4,791.02
WESTAR ENERGY, INC.	WSTR	Economy	448,000	23,087.86	-	23,087.86
LOUISVILLE GAS & ELECTRIC	LGE	Economy	418,792,000	5,260,219.98	-	5,260,219.98
OWENSBORO MUNICIPAL UTILITIES	OMU	Economy	147,633,000	2,653,963.21	-	3,922,344.57
OHIO VALLEY ELECTRIC CORPORATION	OVEC	Surplus	33,293,000	57,317.11	-	742,229.33
ELECTRIC ENERGY INC	EEL	Permanent	142,709,000	891,939.58	-	2,402,107.65
TOTAL			750,140,000	2,217,638.05	10,440,460.41	12,658,098.46

* ENERGY CHARGES AS APPLICABLE ON PURCHASES OF ECONOMY ENERGY.

Sales						
ALABAMA ELECTRIC COOP., INC.	AEC	Non-Displacement	145,000	2,327.58	2,005.70	4,333.28
ASSOCIATED ELECT COOPERATIVE	AECI	Non-Displacement	9,914,000	183,960.06	158,520.40	342,480.46
AMERICAN ELECTRIC POWER SERVICE CORP.	AEP	Non-Displacement	12,037,000	237,746.21	204,868.51	442,614.72
AMEREN ENERGY, INC.	AMRN	Non-Displacement	304,000	6,566.71	5,658.61	12,225.32
AQUILA ENERGY MARKETING CORP.	AQLA	Non-Displacement	126,000	2,104.00	1,813.05	3,917.05
BP ENERGY COMPANY	BP	Non-Displacement	2,214,000	41,314.50	35,601.15	76,915.65
BIG RIVERS ELECTRIC CORP.	BREC	Non-Displacement	520,000	5,177.52	4,461.52	9,639.04
BIG RIVERS ELECTRIC CORP.	BREC	Non-Displacement	265,000	15,148.77	13,053.86	28,202.63
BILL-ALLIANT, LLC	CARG	Non-Displacement	1,421,000	20,670.06	17,811.63	38,481.69
BP ENERGY SERVICES, INC.	CIN	Non-Displacement	2,018,000	32,597.80	28,089.89	60,687.69
COBB ELECTRIC MEMBERSHIP CORPORATION	COBB	Non-Displacement	447,000	7,188.55	6,194.46	13,383.01
CONSTELLATION POWER SOURCE, INC.	CONS	Non-Displacement	3,799,000	68,758.79	59,250.20	128,008.99
DOMINION ENERGY MARKETING, INC.	DEMI	Non-Displacement	8,386,000	162,553.29	140,073.96	302,627.25
DETROIT EDISON	DETE	Non-Displacement	139,000	1,565.81	1,349.27	2,915.08
DAYTON POWER AND LIGHT COMPANY	DPL	Non-Displacement	995,000	20,773.64	17,900.87	38,674.51
DTE ENERGY TRADING, INC.	DTE	Non-Displacement	5,869,000	112,368.96	96,829.57	209,198.53
DUKE ENERGY TRADING AND MARKETING LLC	DETM	Non-Displacement	5,257,000	86,181.90	74,263.89	160,445.79
DYNEGY POWER MARKETING, INC.	DYN	Non-Displacement	224,000	3,041.00	2,620.46	5,661.46
EAGLE ENERGY PARTNERS, LP	EAGL	Non-Displacement	25,000	492.81	424.65	917.46
EAST KENTUCKY POWER COOPERATIVE	EKPC	Non-Displacement	8,163,000	134,331.23	115,598.72	249,929.95
ELECTRIC ENERGY INC	EEL	Non-Displacement	588,000	12,031.64	10,367.80	22,399.44
ENTERGY-KOCH TRADING, LP	ENTE	Non-Displacement	2,029,000	28,608.20	24,652.01	53,260.21
EXELON GENERATION COMPANY, LLC	EXEL	Non-Displacement	1,929,000	45,839.00	39,499.98	85,338.98
HOOSIER ENERGY RURAL ELECTRIC COOP.	HE	Non-Displacement	1,536,000	31,018.61	26,729.07	57,747.68
ILLINOIS MUNICIPAL ELECTRIC AGENCY	IMEA	Non-Displacement	1,415,000	20,031.73	17,261.56	37,293.29
INDIANA MUNICIPAL POWER AGENCY	IMPA	Non-Displacement	1,368,000	19,223.91	16,565.45	35,789.36
INDIANAPOLIS POWER & LIGHT CO.	IPAL	Non-Displacement	507,000	12,182.43	10,497.74	22,680.17
KANSAS CITY POWER & LIGHT	KCPL	Non-Displacement	2,666,000	46,295.25	39,893.12	86,188.37
LG&E ENERGY MARKETING INC.	LEM	Non-Displacement	1,487,000	27,631.94	23,810.75	51,442.69
MORGAN STANLEY CAPITAL GROUP, INC.	MS	Non-Displacement	3,407,000	64,955.54	55,972.91	120,928.45
NO. INDIANA PUBLIC SERVICE CO.	NIPS	Non-Displacement	1,978,000	45,857.36	39,515.79	85,373.15
OHIO VALLEY ELECTRIC CORPORATION	OVEC	Non-Displacement	10,000	584.20	503.41	1,087.61
PPL ELECTRIC UTILITIES CORP.	PPL	Non-Displacement	38,000	549.07	473.13	1,022.20
SOUTHERN COMPANY SERVICES, INC	SOUT	Non-Displacement	215,000	6,197.02	5,340.05	11,537.07
SELECT ENERGY, INC.	SELE	Non-Displacement	3,092,000	58,283.94	50,223.90	108,507.84
SOUTHEASTERN POWER ADMINISTRATION	SEPA	Non-Displacement	1,580,000	25,537.51	22,005.96	47,543.47
SOUTHERN INDIANA GAS & ELECTRIC CO.	SIGE	Non-Displacement	336,000	6,161.44	5,309.38	11,470.82
SOUTHERN ILLINOIS PUBLIC SER.	SIPC	Non-Displacement	33,000	375.18	323.29	698.47
SPLIT ROCK ENERGY LLC	SPRE	Non-Displacement	2,028,000	41,118.89	35,432.61	76,551.50
THE ENERGY AUTHORITY	TEA	Non-Displacement	13,000	249.96	215.39	465.35
TENASKA POWER SERVICES CO.	TPS	Non-Displacement	3,856,000	73,390.54	63,241.44	136,631.98
TENNESSEE VALLEY AUTHORITY	TVA	Non-Displacement	13,584,000	241,257.97	207,894.63	449,152.60
WESTAR ENERGY, INC.	WSTR	Non-Displacement	1,839,000	28,882.07	24,887.97	53,770.04
WABASH VALLEY POWER ASSOCIATION	WVPA	Non-Displacement	809,000	13,743.99	11,843.35	25,587.34
OWENSBORO MUNICIPAL UTILITIES	OMU	Allowances	-	-	12,915.00	12,915.00
LOUISVILLE GAS & ELECTRIC	LGE	Non-Displacement	282,516,000	4,176,125.49	432,971.51	4,609,097.00
TOTAL			391,127,000	6,171,002.07	2,164,737.57	8,335,739.64

POWER TRANSACTION SCHEDULE

Month Ended: JANUARY 31, 2004

Company	Type of Transaction	KWH	Billing Components			Total Charges(\$)
			Demand(\$)	Fuel Charges(\$)	Other Charges(\$)	
Purchases						
ASSOCIATED ELECT COOPERATIVE	AECI	Economy		4,727.48	-	4,727.48
AMERICAN ELECTRIC POWER SERVICE CORP.	AEP	Economy		9,640.71	-	9,640.71
AMEREN ENERGY, INC.	AMRN	Economy		9,545.49	-	9,545.49
BIG RIVERS ELECTRIC CORP.	BREC	Economy		192.39	-	192.39
BIG RIVERS ELECTRIC CORP.	BREC	Economy		459.25	-	459.25
CARGILL- ALLIANT, LLC	CARG	Economy		2,194.44	-	2,194.44
CINERGY SERVICES, INC.	CIN	Economy		7,062.66	-	7,062.66
DAYTON POWER AND LIGHT COMPANY	DPL	Economy		840.31	-	840.31
DUKE ENERGY TRADING AND MARKETING LLC	DETM	Economy		8,926.87	-	8,926.87
EAST KENTUCKY POWER COOPERATIVE	EKPC	Economy		299.18	-	299.18
ENERGY-KOCH TRADING, LP	ENTE	Economy		708.28	-	708.28
EXELON GENERATION COMPANY, LLC	EXEL	Economy		1,446.74	-	1,446.74
INDIANAPOLIS POWER & LIGHT CO.	IPAL	Economy		1,573.57	-	1,573.57
NO. INDIANA PUBLIC SERVICE CO.	NIPS	Economy		15,404.91	-	15,404.91
SOUTHERN INDIANA GAS & ELECTRIC CO.	SIGE	Economy		1,922.70	-	1,922.70
TENASKA POWER SERVICES CO.	TPS	Economy		865.81	-	865.81
WESTAR ENERGY, INC.	WSTR	Economy		936.96	-	936.96
WABASH VALLEY POWER ASSOCIATION	WVPA	Economy		245.20	-	245.20
LOUISVILLE GAS & ELECTRIC	LGE	Economy		7,931,737.29	-	7,931,737.29
OWENSBORO MUNICIPAL UTILITIES	OMU	Economy	1,244,067.89	2,103,518.11	-	3,347,586.00
OHIO VALLEY ELECTRIC CORPORATION	OVEC	Surplus	32,575,000	299,921.09	-	718,086.37
ELECTRIC ENERGY INC	EEL	Permanent	132,654,000	1,645,348.38	-	3,082,385.19
TOTAL			920,555,000	3,189,337.36	11,957,450.44	15,146,787.80

* ENERGY CHARGES AS APPLICABLE ON PURCHASES OF ECONOMY ENERGY.

Sales						
ALABAMA ELECTRIC COOP., INC.	AEC	Non-Displacement	26,000	535.92	497.06	1,032.98
ASSOCIATED ELECT COOPERATIVE	AECI	Non-Displacement	4,315,000	76,151.66	70,628.30	146,779.96
AMERICAN ELECTRIC POWER SERVICE CORP.	AEP	Non-Displacement	6,239,000	127,130.25	117,909.35	245,039.60
AMEREN ENERGY, INC.	AMRN	Non-Displacement	683,000	16,771.20	15,554.77	32,325.97
AQUILA, INC. D/B/A AQUILA NETWORKS	AQIN	Non-Displacement	2,284,000	43,637.68	40,472.60	84,110.28
BP ENERGY COMPANY	BP	Non-Displacement	1,339,000	27,245.07	25,268.95	52,514.02
BRANSCAN ENERGY MARKETING, INC.	BRAS	Non-Displacement	208,000	6,285.01	5,829.15	12,114.16
BIG RIVERS ELECTRIC CORP.	BREC	Non-Displacement	264,000	2,802.98	2,599.66	5,402.64
BIG RIVERS ELECTRIC CORP.	BREC	Non-Displacement	15,000	842.61	781.51	1,624.12
CARGILL- ALLIANT, LLC	CARG	Non-Displacement	3,576,000	67,001.07	62,141.42	129,142.49
CINERGY SERVICES, INC.	CIN	Non-Displacement	1,490,000	30,528.22	28,313.98	58,842.20
COBB ELECTRIC MEMBERSHIP CORPORATION	COBB	Non-Displacement	768,000	12,915.25	11,978.50	24,893.75
CONSTELLATION POWER SOURCE, INC.	CONS	Non-Displacement	1,548,000	26,913.39	24,961.34	51,874.73
ION ENERGY MARKETING, INC.	DEMI	Non-Displacement	947,000	22,959.73	21,294.44	44,254.17
EDISON	DETE	Non-Displacement	456,000	10,464.67	9,705.66	20,170.33
DAYTON POWER AND LIGHT COMPANY	DPL	Non-Displacement	2,960,000	56,928.00	52,798.95	109,726.95
DTE ENERGY TRADING, INC.	DTE	Non-Displacement	2,255,000	41,026.39	38,050.71	79,077.10
DUKE ENERGY TRADING AND MARKETING LLC	DETM	Non-Displacement	487,000	9,233.32	8,563.61	17,796.93
DYNEGY POWER MARKETING, INC.	DYN	Non-Displacement	142,000	3,484.02	3,231.32	6,715.34
EAGLE ENERGY PARTNERS, LP	EAGL	Non-Displacement	7,000	90.46	83.91	174.37
EAST KENTUCKY POWER COOPERATIVE	EKPC	Non-Displacement	6,760,000	136,491.21	125,951.94	262,443.15
ELECTRIC ENERGY INC	EEL	Non-Displacement	1,405,000	16,323.84	15,139.86	31,463.70
ENERGY-KOCH TRADING, LP	ENTE	Non-Displacement	3,986,000	78,593.04	72,768.95	151,361.99
EXELON GENERATION COMPANY, LLC	EXEL	Non-Displacement	455,000	10,261.70	9,517.42	19,779.12
HOOSIER ENERGY RURAL ELECTRIC COOP.	HE	Non-Displacement	799,000	13,795.74	12,795.13	26,590.87
ILLINOIS MUNICIPAL ELECTRIC AGENCY	IMEA	Non-Displacement	3,000	69.18	64.15	133.33
INDIANA MUNICIPAL POWER AGENCY	IMPA	Non-Displacement	3,000	74.44	69.04	143.48
INDIANAPOLIS POWER & LIGHT CO.	IPAL	Non-Displacement	98,000	3,472.51	3,220.65	6,693.16
KANSAS CITY POWER & LIGHT	KCPL	Non-Displacement	1,201,000	22,998.21	21,330.13	44,328.34
LG&E ENERGY MARKETING INC.	LEM	Non-Displacement	330,000	5,817.56	5,395.60	11,213.16
MORGAN STANLEY CAPITAL GROUP, INC.	MS	Non-Displacement	104,000	1,900.74	1,762.88	3,663.62
NO. INDIANA PUBLIC SERVICE CO.	NIPS	Non-Displacement	3,922,000	66,581.30	61,752.10	128,333.40
NORTHERN STATES POWER COMPANY	NSP	Non-Displacement	7,000	228.81	212.22	441.03
OHIO VALLEY ELECTRIC CORPORATION	OVEC	Non-Displacement	4,000	214.60	199.03	413.63
PPL ELECTRIC UTILITIES CORP.	PPL	Non-Displacement	626,000	9,427.36	8,743.58	18,170.94
SELECT ENERGY, INC.	SELE	Non-Displacement	2,262,000	46,461.67	43,091.75	89,553.42

POWER TRANSACTION SCHEDULE

Month Ended: FEBRUARY 29, 2004

Company	Type of Transaction	KWH	Billing Components			Total Charges(\$)
			Demand(\$)	Fuel Charges(\$)	Other Charges(\$)	
Purchases						
ASSOCIATED ELECT COOPERATIVE	AECI Economy	40,000		2,023.71	-	2,023.71
AMERICAN ELECTRIC POWER SERVICE CORP.	AEP Economy	208,000		10,207.28	-	10,207.28
AMEREN ENERGY, INC.	AMRN Economy	140,000		6,646.20	-	6,646.20
BIG RIVERS ELECTRIC CORP.	BREC Economy	4,000		96.91	-	96.91
BIG RIVERS ELECTRIC CORP.	BREC Economy	1,000		128.56	-	128.56
CARGILL- ALLIANT, LLC	CARG Economy	(7,000)		(\$117.07)	-	(\$117.07)
CINERGY SERVICES, INC.	CIN Economy	13,000		892.23	-	892.23
COBB ELECTRIC MEMBERSHIP CORPORATION	COBB Economy	28,000		1,123.47	-	1,123.47
CONSTELLATION POWER SOURCE, INC.	CONS Economy	5,000		259.86	-	259.86
DAYTON POWER AND LIGHT COMPANY	DPL Economy	3,000		72.02	-	72.02
DUKE ENERGY TRADING AND MARKETING LLC	DETM Economy	47,000		2,742.25	-	2,742.25
DYNEGY POWER MARKETING, INC.	DYN Economy	65,000		2,772.44	-	2,772.44
EAST KENTUCKY POWER COOPERATIVE	EKPC Economy	6,000		312.62	-	312.62
ENTERGY-KOCH TRADING, LP	ENTE Economy	32,000		1,355.19	-	1,355.19
EXELON GENERATION COMPANY, LLC	EXEL Economy	35,000		1,616.78	-	1,616.78
HOOSIER ENERGY RURAL ELECTRIC COOP.	HE Economy	30,000		988.40	-	988.40
INDIANAPOLIS POWER & LIGHT CO.	IPAL Economy	144,000		6,293.73	-	6,293.73
KANSAS CITY POWER & LIGHT	KCPL Economy	13,000		610.64	-	610.64
NO. INDIANA PUBLIC SERVICE CO.	NIPS Economy	24,000		913.65	-	913.65
SOUTHERN COMPANY SERVICES, INC	SOUT Economy	83,000		3,488.38	-	3,488.38
SOUTHERN INDIANA GAS & ELECTRIC CO.	SIGE Economy	111,000		4,175.14	-	4,175.14
WESTAR ENERGY, INC.	WSTR Economy	81,000		4,016.65	-	4,016.65
LOUISVILLE GAS & ELECTRIC	LGE Economy	550,154,000		7,851,105.50	-	7,851,105.50
OWENSBORO MUNICIPAL UTILITIES	OMU Economy	156,085,000	1,302,048.41	2,509,490.47	-	3,811,538.88
OHIO VALLEY ELECTRIC CORPORATION	OVEC Surplus	29,960,000	299,920.05	384,596.52	-	684,516.57
ELECTRIC ENERGY INC	EEI Permanent	137,046,000	756,015.56	1,476,549.61	-	2,232,565.17
TOTAL		874,351,000	2,357,984.02	12,272,361.14	-	14,630,345.16
* ENERGY CHARGES AS APPLICABLE ON PURCHASES OF ECONOMY ENERGY.						
Sales						
ALABAMA ELECTRIC COOP., INC.	AEC Non-Displacement	259,000		4,833.39	4,665.17	9,498.56
ASSOCIATED ELECT COOPERATIVE	AECI Non-Displacement	1,410,000		24,422.38	23,572.43	47,994.81
AMERICAN ELECTRIC POWER SERVICE CORP.	AEP Non-Displacement	1,977,000		40,599.18	39,186.24	79,785.42
AMEREN ENERGY, INC.	AMRN Non-Displacement	761,000		15,077.54	14,552.81	29,630.35
AMERICAN MUNICIPAL POWER-OHIO, INC.	AMPO Non-Displacement	1,000		20.30	19.59	39.89
AQUILA, INC. D/B/A AQUILA NETWORKS	AQIN Non-Displacement	473,000	-	9,030.32	8,716.03	17,746.35
BP ENERGY COMPANY	BP Non-Displacement	752,000		14,946.96	14,426.78	29,373.74
BIG RIVERS ELECTRIC CORP.	BREC Non-Displacement	2,000		25.96	25.07	51.03
BIG RIVERS ELECTRIC CORP.	BREC Non-Displacement	8,000		419.28	404.69	823.97
CARGILL- ALLIANT, LLC	CARG Non-Displacement	953,000		16,698.66	16,117.52	32,816.18
CINERGY SERVICES, INC.	CIN Non-Displacement	1,595,000		31,207.19	30,121.10	61,328.29
CITADEL ENERGY PRODUCTS LLC	CTDL Non-Displacement	210,000		4,408.55	4,255.12	8,663.67
COBB ELECTRIC MEMBERSHIP CORPORATION	COBB Non-Displacement	295,000		4,710.81	4,546.86	9,257.67
CONSTELLATION POWER SOURCE, INC.	CONS Non-Displacement	324,000		5,791.09	5,589.53	11,380.62
CORAL POWER L.L.C.	CP Non-Displacement	27,000		330.57	319.05	649.62
DOMINION ENERGY MARKETING, INC.	DEMI Non-Displacement	126,000		2,568.20	2,478.81	5,047.01
DETROIT EDISON	DETE Non-Displacement	376,000		6,961.60	6,719.31	13,680.91
DAYTON POWER AND LIGHT COMPANY	DPL Non-Displacement	1,037,000		19,518.03	18,838.76	38,356.79
DTE ENERGY TRADING, INC.	DTE Non-Displacement	307,000		6,172.92	5,958.09	12,131.01
DUKE ENERGY TRADING AND MARKETING LLC	DETM Non-Displacement	707,000		13,356.86	12,892.01	26,248.87
DYNEGY POWER MARKETING, INC.	DYN Non-Displacement	6,000		118.16	114.05	232.21
EAST KENTUCKY POWER COOPERATIVE	EKPC Non-Displacement	1,710,000		36,538.98	35,267.34	71,806.32
ENTERGY-KOCH TRADING, LP	ENTE Non-Displacement	434,000	-	7,693.23	7,425.49	15,118.72
EXELON GENERATION COMPANY, LLC	EXEL Non-Displacement	163,000		3,318.72	3,203.22	6,521.94
HOOSIER ENERGY RURAL ELECTRIC COOP.	HE Non-Displacement	134,000	-	2,337.22	2,255.88	4,593.10
H.Q. ENERGY SERVICES (U.S.) INC.	HQUS Non-Displacement	42,000		791.96	764.39	1,556.35
ILLINOIS MUNICIPAL ELECTRIC AGENCY	IMEA Non-Displacement	1,000		15.01	14.50	29.51
INDIANA MUNICIPAL POWER AGENCY	IMPA Non-Displacement	1,000		15.37	14.84	30.21
INDIANAPOLIS POWER & LIGHT CO.	IPAL Non-Displacement	290,000		7,559.71	7,296.61	14,856.32
KANSAS CITY POWER & LIGHT	KCPL Non-Displacement	167,000		3,086.03	2,978.64	6,064.67
LG&E ENERGY MARKETING INC.	LEM Non-Displacement	71,000	-	1,175.33	1,134.43	2,309.76
NO. INDIANA PUBLIC SERVICE CO.	NIPS Non-Displacement	1,210,000		25,951.13	25,047.96	50,999.09
NORTHERN STATES POWER COMPANY	NSP Non-Displacement	23,000		420.02	405.41	825.43
OHIO VALLEY ELECTRIC CORPORATION	OVEC Non-Displacement	3,000	-	140.17	135.30	275.47
PPL ELECTRIC UTILITIES CORP.	PPL Non-Displacement	255,000		3,847.28	3,713.38	7,560.66
PSEG ENERGY RESOURCES & TRADE LLC	PSEG Non-Displacement	126,000	-	2,760.53	2,664.46	5,424.99
SOUTHERN COMPANY SERVICES, INC	SOUT Non-Displacement	10,000		147.07	141.95	289.02
SELECT ENERGY, INC.	SELE Non-Displacement	1,470,000	-	29,747.79	28,712.49	58,460.28
SOUTHERN INDIANA GAS & ELECTRIC CO.	SIGE Non-Displacement	93,000	-	2,205.47	2,128.72	4,334.19
SOUTHERN ILLINOIS PUBLIC SER.	SIPC Non-Displacement	1,000	-	15.96	15.41	31.37
SPLIT ROCK ENERGY LLC	SPRE Non-Displacement	84,000		1,498.42	1,446.28	2,944.70
STRATEGIC ENERGY LLC	STRA Non-Displacement	84,000		1,925.84	1,858.81	3,784.65
THE ENERGY AUTHORITY	TEA Non-Displacement	62,000		951.40	918.28	1,869.68
TENASKA POWER SERVICES CO.	TPS Non-Displacement	5,000		131.22	126.66	257.88
TRANSALTA ENERGY MARKETING (U.S.) INC.	TALT Non-Displacement	942,000		18,471.71	17,828.85	36,300.56
TENNESSEE VALLEY AUTHORITY	TVA Non-Displacement	3,329,000		57,486.41	55,485.74	112,972.15
WESTAR ENERGY, INC.	WSTR Non-Displacement	618,000		10,803.94	10,427.93	21,231.87
OHIO VALLEY POWER ASSOCIATION	WVPA Non-Displacement	227,000		4,427.38	4,273.32	8,700.70
CELLANEOUS		-		(117.07)	117.07	-
OWENSBORO MUNICIPAL UTILITIES	OMU Non-Displacement	80,000	-	1,316.60	253.82	1,570.42
LOUISVILLE GAS & ELECTRIC	LGE Non-Displacement	399,199,000	-	6,879,522.43	736,541.93	7,616,064.36
TOTAL		422,440,000	-	7,325,403.21	1,166,118.13	8,491,521.34

POWER TRANSACTION SCHEDULE

Month Ended: MARCH 31, 2004

Company	Type of Transaction	KWH	Billing Components			Total Charges(\$)
			Demand(\$)	Fuel Charges(\$)	Other Charges(\$)	
Purchases						
ASSOCIATED ELECT COOPERATIVE	AECI Economy	325,000		16,136.81	-	16,136.81
AMERICAN ELECTRIC POWER SERVICE CORP.	AEP Economy	255,000		20,070.81	-	20,070.81
AMEREN ENERGY, INC.	AMRN Economy	295,000		11,944.25	-	11,944.25
BIG RIVERS ELECTRIC CORP.	BREC Economy	7,000		221.83	-	221.83
BIG RIVERS ELECTRIC CORP.	BREC Economy	10,000		1,072.64	-	1,072.64
CARGILL- ALLIANT, LLC	CARG Economy	30,000		1,161.36	-	1,161.36
CINERGY SERVICES, INC.	CIN Economy	173,000		10,032.71	-	10,032.71
COBB ELECTRIC MEMBERSHIP CORPORATION	COBB Economy	15,000		956.14	-	956.14
CONSTELLATION POWER SOURCE, INC.	CONS Economy	89,000		4,808.10	-	4,808.10
DETROIT EDISON	DETE Economy	5,000		246.14	-	246.14
DAYTON POWER AND LIGHT COMPANY	DPL Economy	30,000		1,503.29	-	1,503.29
DUKE ENERGY TRADING AND MARKETING LLC	DETM Economy	22,000		769.90	-	769.90
DYNEGY POWER MARKETING, INC.	DYN Economy	208,000		9,159.49	-	9,159.49
EAST KENTUCKY POWER COOPERATIVE	EKPC Economy	62,000		2,329.41	-	2,329.41
ENTERGY-KOCH TRADING, LP	ENTE Economy	15,000		758.93	-	758.93
EXELON GENERATION COMPANY, LLC	EXEL Economy	256,000		11,599.22	-	11,599.22
HOOSIER ENERGY RURAL ELECTRIC COOP.	HE Economy	54,000		1,523.08	-	1,523.08
INDIANAPOLIS POWER & LIGHT CO.	IPAL Economy	42,000		1,174.90	-	1,174.90
NO. INDIANA PUBLIC SERVICE CO.	NIPS Economy	113,000		3,757.81	-	3,757.81
OHIO VALLEY ELECTRIC CORPORATION	OVEC Economy	-		10.26	-	10.26
SOUTHERN COMPANY SERVICES, INC	SOUT Economy	40,000		1,750.86	-	1,750.86
SOUTHERN INDIANA GAS & ELECTRIC CO.	SIGE Economy	35,000		1,653.20	-	1,653.20
LOUISVILLE GAS & ELECTRIC	LGE Economy	484,177,000		6,294,462.16	-	6,294,462.16
OWENSBORO MUNICIPAL UTILITIES	OMU Economy	51,490,000	1,318,164.12	925,479.51	-	2,243,643.63
OHIO VALLEY ELECTRIC CORPORATION	OVEC Surplus	27,311,000	211,200.26	495,971.39	-	707,171.65
ELECTRIC ENERGY INC	EEL Permanent	120,821,000	880,409.31	1,301,714.40	-	2,182,123.71
TOTAL		685,880,000	2,409,773.69	9,120,268.60	-	11,530,042.29
* ENERGY CHARGES AS APPLICABLE ON PURCHASES OF ECONOMY ENERGY.						
Sales						
ALABAMA ELECTRIC COOP., INC.	AEC Non-Displacement	13,000		294.71	328.99	623.70
ASSOCIATED ELECT COOPERATIVE	AECI Non-Displacement	3,530,000		55,651.03	62,125.60	117,776.63
AMERICAN ELECTRIC POWER SERVICE CORP.	AEP Non-Displacement	1,882,000		31,663.56	35,347.38	67,010.94
AMEREN ENERGY, INC.	AMRN Non-Displacement	326,000		5,000.52	5,582.29	10,582.81
AQUILA, INC. D/B/A AQUILA NETWORKS	AQIN Non-Displacement	724,000		13,974.05	15,599.83	29,573.88
BP ENERGY COMPANY	BP Non-Displacement	62,000		1,450.06	1,618.77	3,068.83
BIG RIVERS ELECTRIC CORP.	BREC Non-Displacement	6,000		55.17	61.58	116.75
BIG RIVERS ELECTRIC CORP.	BREC Non-Displacement	69,000		3,421.08	3,819.10	7,240.18
CARGILL- ALLIANT, LLC	CARG Non-Displacement	2,325,000		39,201.87	43,786.71	82,988.58
CINERGY SERVICES, INC.	CIN Non-Displacement	1,461,000		23,158.71	25,853.03	49,011.74
CONOCOPHILLIPS PRODUCTS LLC	CTDL Non-Displacement	82,000		1,292.66	1,443.04	2,735.70
COBB ELECTRIC MEMBERSHIP CORPORATION	COBB Non-Displacement	567,000		9,580.90	10,695.55	20,276.45
CONOCOPHILLIPS COMPANY	CONO Non-Displacement	19,000		276.36	308.50	584.86
CONSTELLATION POWER SOURCE, INC.	CONS Non-Displacement	563,000		9,490.36	10,596.66	20,087.02
CORAL POWER L.L.C.	CP Non-Displacement	11,000		150.87	168.43	319.30
DOMINION ENERGY MARKETING, INC.	DEMI Non-Displacement	10,000		159.09	177.60	336.69
DETROIT EDISON	DETE Non-Displacement	660,000		12,342.75	13,778.74	26,121.49
DAYTON POWER AND LIGHT COMPANY	DPL Non-Displacement	235,000		4,359.59	4,866.80	9,226.39
DTE ENERGY TRADING, INC.	DTE Non-Displacement	1,078,000		17,905.49	19,988.65	37,894.14
DUKE ENERGY TRADING AND MARKETING LLC	DETM Non-Displacement	512,000		10,113.40	11,290.01	21,403.41
DYNEGY POWER MARKETING, INC.	DYN Non-Displacement	3,000		43.36	48.42	91.78
EAST KENTUCKY POWER COOPERATIVE	EKPC Non-Displacement	2,623,000		49,282.24	55,015.85	104,298.09
ENTERGY-KOCH TRADING, LP	ENTE Non-Displacement	415,000		6,797.74	7,588.60	14,386.34
EXELON GENERATION COMPANY, LLC	EXEL Non-Displacement	456,000		7,787.55	8,693.58	16,481.13
HOOSIER ENERGY RURAL ELECTRIC COOP.	HE Non-Displacement	358,000		6,125.91	6,838.61	12,964.52
ILLINOIS MUNICIPAL ELECTRIC AGENCY	IMEA Non-Displacement	55,000		1,281.25	1,430.31	2,711.56
INDIANA MUNICIPAL POWER AGENCY	IMPA Non-Displacement	58,000		1,352.98	1,510.38	2,863.36
INDIANAPOLIS POWER & LIGHT CO.	IPAL Non-Displacement	194,000		4,353.46	4,859.94	9,213.40
KANSAS CITY POWER & LIGHT	KCPL Non-Displacement	563,000		10,432.56	11,646.30	22,078.86
LG&E ENERGY MARKETING INC.	LEM Non-Displacement	1,855,000		32,894.72	36,721.76	69,616.48
MORGAN STANLEY CAPITAL GROUP, INC.	MS Non-Displacement	3,000		81.48	90.96	172.44
NO. INDIANA PUBLIC SERVICE CO.	NIPS Non-Displacement	2,495,000		44,166.54	49,304.99	93,471.53
NORTHERN STATES POWER COMPANY	NSP Non-Displacement	73,000		1,301.84	1,453.29	2,755.13
OHIO VALLEY ELECTRIC CORPORATION	OVEC Non-Displacement	4,000		209.39	233.74	443.13
PSEG ENERGY RESOURCES & TRADE LLC	PSEG Non-Displacement	164,000		2,352.70	2,626.42	4,979.12
SOUTH CAROLINA ELECTRIC & GAS	SCEG Non-Displacement	76,000		1,197.79	1,337.15	2,534.94
SELECT ENERGY, INC.	SELE Non-Displacement	164,000		2,662.85	2,972.64	5,635.49
SEMPRA ENERGY TRADING CORP.	SEMP Non-Displacement	75,000		1,594.62	1,780.16	3,374.78
SOUTHERN INDIANA GAS & ELECTRIC CO.	SIGE Non-Displacement	567,000		10,978.75	12,256.06	23,234.81
SPLIT ROCK ENERGY LLC	SPRE Non-Displacement	2,388,000		37,684.70	42,069.03	79,753.73
THE ENERGY AUTHORITY	TEA Non-Displacement	271,000		4,122.41	4,602.03	8,724.44
TENASKA POWER SERVICES CO.	TPS Non-Displacement	946,000		14,476.96	16,161.24	30,638.20
TRANSALTA ENERGY MARKETING (U.S.) INC.	TALT Non-Displacement	958,000		15,255.65	17,030.51	32,286.16
TENNESSEE VALLEY AUTHORITY	TVA Non-Displacement	3,762,000		61,612.65	68,780.80	130,393.45
WESTAR ENERGY, INC.	WSTR Non-Displacement	2,496,000		42,741.32	47,713.93	90,455.25
WABASH VALLEY POWER ASSOCIATION	WVPA Non-Displacement	395,000		7,634.78	8,523.06	16,157.84
OWENSBORO MUNICIPAL UTILITIES	OMU Non-Displacement	1,251,000		29,644.20	4,603.02	34,247.22
OWENSBORO MUNICIPAL UTILITIES	OMU Allowances	-		-	102.00	102.00
LOUISVILLE GAS & ELECTRIC	LGE Non-Displacement	302,235,000		4,885,064.61	761,573.20	5,646,637.81
TOTAL		339,038,000	-	5,522,677.24	1,445,005.24	6,967,682.48

POWER TRANSACTION SCHEDULE

Month Ended: APRIL 30, 2004

Company	Type of Transaction	KWH	Billing Components			Total Charges(\$)
			Demand(\$)	Fuel Charges(\$)	Other Charges(\$)	
Purchases						
ASSOCIATED ELECT COOPERATIVE	AECI Economy	250,000		14,485.82	-	14,485.82
MICAN ELECTRIC POWER SERVICE CORP.	AEP Economy	1,728,000		79,715.78	-	79,715.78
AMREN ENERGY, INC.	AMRN Economy	1,996,000		94,410.41	-	94,410.41
BIG RIVERS ELECTRIC CORP.	BREC Economy	70,000		\$2,099.54	-	\$2,099.54
BIG RIVERS ELECTRIC CORP.	BREC Economy	4,000		374.71	-	374.71
CARGILL- ALLIANT, LLC	CARG Economy	205,000		8,595.70	-	8,595.70
CINERGY SERVICES, INC.	CIN Economy	2,788,000		123,828.48	-	123,828.48
CITADEL ENERGY PRODUCTS LLC	CTDL Economy	395,000		\$5,925.00	-	\$5,925.00
COBB ELECTRIC MEMBERSHIP CORPORATION	COBB Economy	97,000		4,665.00	-	4,665.00
CONSTELLATION POWER SOURCE, INC.	CONS Economy	146,000		6,822.00	-	6,822.00
CONSUMER ENERGY	CONE Economy	1,878,000		71,270.59	-	71,270.59
DETROIT EDISON	DETE Economy	169,000		6,622.00	-	6,622.00
DAYTON POWER AND LIGHT COMPANY	DPL Economy	302,000		9,906.88	-	9,906.88
DTE ENERGY TRADING, INC.	DTE Economy	378,000		5,700.04	-	5,700.04
DUKE ENERGY TRADING AND MARKETING LLC	DETM Economy	614,000		24,056.00	-	24,056.00
DYNEGY POWER MARKETING, INC.	DYN Economy	398,000		15,923.55	-	15,923.55
EDISON MISSION MARKETING & TRADING	EMIS Economy	395,000		5,925.00	-	5,925.00
EAST KENTUCKY POWER COOPERATIVE	EKPC Economy	9,000		937.27	-	937.27
ENTERGY-KOCH TRADING, LP	ENTE Economy	899,000		35,512.00	-	35,512.00
EXELON GENERATION COMPANY, LLC	EXEL Economy	2,111,000		57,755.15	-	57,755.15
INDIANAPOLIS POWER & LIGHT CO.	IPAL Economy	4,921,000		134,507.20	-	134,507.20
KANSAS CITY POWER & LIGHT	KCPL Economy	216,000		11,780.00	-	11,780.00
NO. INDIANA PUBLIC SERVICE CO.	NIPS Economy	144,000		6,276.00	-	6,276.00
NORTHERN STATES POWER COMPANY	NSP Economy	423,000		21,009.00	-	21,009.00
SOUTHEASTERN POWER ADMINISTRATION	SEPA Economy	124,000		4,355.50	-	4,355.50
SOUTHERN INDIANA GAS & ELECTRIC CO.	SIGE Economy	634,000		30,615.23	-	30,615.23
TENNESSEE VALLEY AUTHORITY	TVA Economy	424,000		16,601.00	-	16,601.00
WESTAR ENERGY, INC.	WSTR Economy	267,000		11,651.91	-	11,651.91
WABASH VALLEY POWER ASSOCIATION	WVPA Economy	721,000		28,119.00	-	28,119.00
LOUISVILLE GAS & ELECTRIC	LGE Economy	243,383,000		3,376,654.95	-	3,376,654.95
OWENSBORO MUNICIPAL UTILITIES	OMU Economy	123,634,000	1,011,770.22	2,231,901.31	-	\$3,243,671.53
OHIO VALLEY ELECTRIC CORPORATION	OVEC Surplus	32,023,000	(103,974.59)	\$667,683.51	-	\$563,708.92
ELECTRIC ENERGY INC	EEL Permanent	128,651,000	1,514,453.57	1,349,172.37	-	2,863,625.94
TOTAL		550,397,000	2,422,249.20	8,464,857.90	-	10,887,107.10

* ENERGY CHARGES AS APPLICABLE ON PURCHASES OF ECONOMY ENERGY.

Company	Type of Transaction	KWH	Billing Components			Total Charges(\$)
			Demand(\$)	Fuel Charges(\$)	Other Charges(\$)	
Sales						
ALABAMA ELECTRIC COOP., INC.	AEC Non-Displacement	82,000		3,422.06	1,905.89	5,327.95
ASSOCIATED ELECT COOPERATIVE	AECI Non-Displacement	700,000		22,574.55	12,572.72	35,147.27
MICAN ELECTRIC POWER SERVICE CORP.	AEP Non-Displacement	266,000		10,020.09	5,580.61	15,600.70
AMREN ENERGY, INC.	AMRN Non-Displacement	22,000		850.07	473.43	1,323.50
AQUILA, INC. D/B/A AQUILA NETWORKS	AQIN Non-Displacement	164,000		5,436.86	3,028.02	8,464.88
BIG RIVERS ELECTRIC CORP.	BREC Non-Displacement	2,000		114.06	63.53	177.59
BIG RIVERS ELECTRIC CORP.	BREC Non-Displacement	5,000		418.95	233.34	652.29
CARGILL- ALLIANT, LLC	CARG Non-Displacement	622,000		19,764.18	11,021.12	\$30,785.30
CINERGY SERVICES, INC.	CIN Non-Displacement	151,000		5,570.73	3,102.58	8,673.31
COBB ELECTRIC MEMBERSHIP CORPORATION	COBB Non-Displacement	247,000		\$9,162.58	5,030.19	\$14,192.77
CONSTELLATION POWER SOURCE, INC.	CONS Non-Displacement	149,000		5,054.44	2,815.04	7,869.48
DOMINION ENERGY MARKETING, INC.	DEMI Non-Displacement	81,000		3,276.37	1,824.75	5,101.12
DETROIT EDISON	DETE Non-Displacement	145,000		4,525.17	2,520.27	7,045.44
DAYTON POWER AND LIGHT COMPANY	DPL Non-Displacement	135,000		5,127.82	2,855.90	7,983.72
DTE ENERGY TRADING, INC.	DTE Non-Displacement	287,000		10,112.81	5,632.25	15,745.06
DUKE ENERGY TRADING AND MARKETING LLC	DETM Non-Displacement	20,000		698.33	388.93	1,087.26
DYNEGY POWER MARKETING, INC.	DYN Non-Displacement	3,000		120.30	67.00	187.30
EAST KENTUCKY POWER COOPERATIVE	EKPC Non-Displacement	581,000		19,668.70	10,954.34	30,623.04
ELECTRIC ENERGY INC	EEL Non-Displacement	75,000		2,240.91	1,248.06	3,488.97
ENTERGY-KOCH TRADING, LP	ENTE Non-Displacement	16,000		547.78	305.09	852.87
EXELON GENERATION COMPANY, LLC	EXEL Non-Displacement	57,000		1,872.49	1,042.88	2,915.37
HOOSIER ENERGY RURAL ELECTRIC COOP.	HE Non-Displacement	489,000	105,793.96	17,228.54	(89,192.62)	33,829.88
INDIANAPOLIS POWER & LIGHT CO.	IPAL Non-Displacement	159,000		6,798.24	3,786.23	10,584.47
KANSAS CITY POWER & LIGHT	KCPL Non-Displacement	255,000		8,292.07	4,618.20	12,910.27
LG&E ENERGY MARKETING INC.	LEM Non-Displacement	187,000		6,496.82	3,618.35	10,115.17
NO. INDIANA PUBLIC SERVICE CO.	NIPS Non-Displacement	1,194,000		43,483.81	24,217.98	67,701.79
NORTHERN STATES POWER COMPANY	NSP Non-Displacement	10,000		368.47	205.21	573.68
OHIO VALLEY ELECTRIC CORPORATION	OVEC Non-Displacement	4,000		338.25	188.39	526.64
SOUTHERN INDIANA GAS & ELECTRIC CO.	SIGE Non-Displacement	27,000		\$1,201.05	176.50	\$1,377.55
SOUTHERN ILLINOIS PUBLIC SER.	SIPC Non-Displacement	2,000		59.01	32.87	91.88
SPLIT ROCK ENERGY LLC	SPRE Non-Displacement	58,000		2,102.73	1,171.09	3,273.82
THE ENERGY AUTHORITY	TEA Non-Displacement	20,000		642.27	357.70	999.97
TENASKA POWER SERVICES CO.	TPS Non-Displacement	35,000		1,043.52	581.17	1,624.69
TENNESSEE VALLEY AUTHORITY	TVA Non-Displacement	837,000		29,833.23	16,615.37	46,448.60
WESTAR ENERGY, INC.	WSTR Non-Displacement	563,000		19,364.80	10,785.08	30,149.88
WABASH VALLEY POWER ASSOCIATION	WVPA Non-Displacement	71,000		2,570.18	1,431.44	4,001.62
MISCELLANEOUS		-		(0.46)	0.46	-
OWENSBORO MUNICIPAL UTILITIES	OMU Non-Displacement	409,000		6,475.08	1,279.73	7,754.81
OWENSBORO MUNICIPAL UTILITIES	OMU Allowances	-		-	2,200.00	2,200.00
LOUISVILLE GAS & ELECTRIC	LGE Non-Displacement	137,307,000		2,594,656.44	350,732.25	2,945,388.69
TOTAL		145,437,000	105,793.96	2,871,533.30	405,471.34	3,382,798.60

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix A of
Commission's Order Dated June 23, 2004**

Case No. 2004-00213

Question No. 5

Witness: John Malloy

Q-5. List KU's scheduled, actual, and forced outages between November 1, 2003 and April 30, 2004.

A-5. Please see the attached sheets.

Green River Units 1-2 were operationally retired December 31, 2003. That retirement was booked on March 31, 2004.

Kentucky Utilities Company
 E. W. Brown Unit 1
 November 2003 through April 2004

Schedule vs Actual

MONTH	MAINTENANCE				HOURS OF DURATION		REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled FROM	Scheduled TO	Actual FROM	Actual TO	Scheduled	Actual	
Nov	11/8/2003 0:00	11/30/2003 15:00	11/7/2003 19:35	11/30/2003 8:23	543:00	540:48	Annual boiler inspection
Dec	No Outages > or = 6 Hours						
Jan	No Outages > or = 6 Hours						
Feb	S 2/27/2004 23:25	2/29/2004 10:40	2/27/2004 23:25	2/29/2004 10:40	35:15	35:15	Burner controls
Mar	No Outages > or = 6 Hours						
Apr	F		4/15/2004 15:14	4/20/2004 1:37	106:23		Deaerator shell leak

Kentucky Utilities Company
E. W. Brown Unit 2
November 2003 through April 2004

Schedule vs Actual

MONTH	MAINTENANCE				HOURS OF DURATION		REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled FROM	Scheduled TO	Actual FROM	Actual TO	Scheduled	Actual	
Nov	S	→	11/2/2003 15:00	→	11/6/2003 11:09	39:00	131:09 Annual outage - including replacing superheat tube assemblies and economizer side wall tubes
Dec	No Outages > or = 6 Hours						
Jan	F		1/23/2004 5:53	1/23/2004 14:56	9:03	9:03	Feedwater controls
Feb	F		1/23/2004 16:57	1/29/2004 5:26	132:29	132:29	Fire
Mar	No Outages > or = 6 Hours						
Apr	S	4/23/2004 22:38	4/26/2004 4:13	4/23/2004 22:38	4/26/2004 4:13	53:35	53:35 Furnace wall boiler tube leaks

Schedule vs Actual

Kentucky Utilities Company
 E. W. Brown Unit 3
 November 2003 through April 2004

MONTH	MAINTENANCE				HOURS OF DURATION		REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled FROM	Scheduled TO	Actual FROM	Actual TO	Scheduled	Actual	
Nov	No Outages > or = 6 Hours						
Dec	No Outages > or = 6 Hours						
Jan	No Outages > or = 6 Hours						
Feb	No Outages > or = 6 Hours						
Mar	F		3/17/2004 13:45	3/19/2004 23:00	57:15		Switchyard: substation testing resulted in main generator trip
	S	3/20/2004 0:00	3/19/2004 23:00	288:00	289:00		Major boiler overhaul
Apr				720:00	720:00		Major boiler overhaul

Schedule vs Actual

Kentucky Utilities Company
 E. W. Brown Unit CT 5
 November 2003 through April 2004

MONTH	MAINTENANCE		HOURS OF DURATION		REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled FROM	Actual TO	Scheduled	Actual	
Nov	No Outages > or = 6 Hours				
Dec	12/2/2003 6:30	12/2/2003 13:00	6:30	6:30	Fuel system: replace main fuel gas meter
Jan		12/2/2003 6:30		10:00	Fire detection system: deluge system froze and burst; plan to build a better heating system in deluge bldg
Feb		1/31/2004 14:00		60:30	Fire detection system: deluge system froze and burst; plan to build a better heating system in deluge bldg
Mar	No Outages > or = 6 Hours				
Apr	No Outages > or = 6 Hours				

Kentucky Utilities Company
E. W. Brown Unit CT 6
November 2003 through April 2004

Schedule vs Actual

MONTH	MAINTENANCE				HOURS OF DURATION		REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE	
	Scheduled		Actual		Scheduled	Actual		
	FROM	TO	FROM	TO	Forecast	Actual		
Nov	No Outages > or = 6 Hours							
Dec	S	12/5/2003 8:20	12/5/2003 19:40	12/5/2003 8:20	12/5/2003 19:40	11:20	11:20	Fuel system: repair sticking purge valve
	S	12/8/2003 9:15	12/12/2003 10:26	12/8/2003 9:15	12/12/2003 10:26	97:11	97:11	Plant fuel change modifications to ready for fuel oil commissioning
	S	12/12/2003 18:41	12/13/2003 8:54	12/12/2003 18:41	12/13/2003 8:54	14:13	14:13	Plant fuel change modifications to ready for fuel oil commissioning
	S	12/13/2003 9:15	12/14/2003 9:26	12/13/2003 9:15	12/14/2003 9:26	24:11	24:11	Plant fuel change modifications to ready for fuel oil commissioning
	S	12/14/2003 20:25	12/16/2003 17:35	12/14/2003 20:25	12/16/2003 17:35	45:10	45:10	Plant fuel change modifications to ready for fuel oil commissioning
Jan	F			1/6/2004 21:10	1/7/2004 10:00	12:50		Controls
Feb	F			1/23/2004 7:13	1/25/2004 17:26	56:13		Controls
Mar	No Outages > or = 6 Hours							
Apr	F			4/13/2004 16:57	4/19/2004 11:46	138:49		Controls
	S	4/21/2004 14:00	4/22/2004 8:00	4/21/2004 14:00	4/22/2004 8:00	18:00	18:00	Controls

Schedule vs Actual

Kentucky Utilities Company
E. W. Brown Unit CT 7
November 2003 through April 2004

MONTH	MAINTENANCE		HOURS OF DURATION		REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled FROM	Scheduled TO	Scheduled	Actual	
Nov	S 11/21/2003 6:30	11/21/2003 14:25	11/21/2003 6:30	11/21/2003 14:25	7:55 Fuel system
Dec	S 12/17/2003 12:00	12/19/2003 14:15	12/17/2003 12:00	12/19/2003 14:15	50:15 Performance testing
	F		12/19/2003 18:08	12/20/2003 10:16	16:08 Fuel system
	S 12/26/2003 6:30	12/26/2003 14:00	12/26/2003 6:30	12/26/2003 14:00	7:30 Heat shields
Jan	F		1/25/2004 17:11	→	150:49 Controls
Feb	F		→	2/6/2004 17:00	137:00 Controls
Mar	No Outages > or = 6 Hours				
Apr	No Outages > or = 6 Hours				

Schedule vs Actual

Kentucky Utilities Company
 E. W. Brown Unit CT B
 November 2003 through April 2004

MONTH	MAINTENANCE				HOURS OF DURATION		REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE	
	Scheduled FROM	Scheduled TO	Actual FROM	Actual TO	Scheduled	Actual		
Nov	No Outages > or = 6 Hours							
Dec	No Outages > or = 6 Hours							
Jan	No Outages > or = 6 Hours							
Feb	S	2/28/2004 0:00	→			48:00	0:00	Generator inspection and re-insulation of generator
Mar	S	→	3/1/2004 6:30	→		744:00	737:30	Generator inspection and re-insulation of generator
Apr	S	→		4/4/2004 15:00	→	87:00	720:00	Generator inspection and re-insulation of generator

Schedule vs Actual

Kentucky Utilities Company
E. W. Brown Unit CT 9
November 2003 through April 2004

MONTH	SCHEDULED		ACTUAL		HOURS OF DURATION		REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE	
	FROM	TO	FROM	TO	Scheduled	Actual		
Nov	No Outages > or = 6 Hours							
Dec	No Outages > or = 6 Hours							
Jan	No Outages > or = 6 Hours							
Feb	No Outages > or = 6 Hours							
Mar	No Outages > or = 6 Hours							
Apr	S	4/7/2004 5:30	4/7/2004 14:25	4/7/2004 5:30	4/7/2004 14:25	8:55	8:55	Generator main leads

Schedule vs Actual

Kentucky Utilities Company
 E. W. Brown Unit CT 10
 November 2003 through April 2004

MONTH	MAINTENANCE				HOURS OF DURATION		REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled FROM	Scheduled TO	Actual FROM	Actual TO	Scheduled	Actual	
Nov	No Outages > or = 6 Hours						
Dec	No Outages > or = 6 Hours						
Jan	F		1/23/2004 7:22	1/23/2004 14:46	7:24		Controls
Feb	S	2/24/2004 14:00	2/26/2004 9:30	2/24/2004 14:00	43:30	43:30	Switchyard transformer maintenance
Mar	No Outages > or = 6 Hours						
Apr	No Outages > or = 6 Hours						

Schedule vs Actual

Kentucky Utilities Company
 E. W. Brown Unit CT 11
 November 2003 through April 2004

MONTH	SCHEDULED		ACTUAL		REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE	
	FROM	TO	FROM	TO	Scheduled	Actual
Nov	No Outages > or = 6 Hours					
Dec	No Outages > or = 6 Hours					
Jan	No Outages > or = 6 Hours					
Feb	No Outages > or = 6 Hours					
Mar	No Outages > or = 6 Hours					
Apr	No Outages > or = 6 Hours					

Kentucky Utilities Company
 Ghent Unit 1
 November 2003 through April 2004

Schedule vs Actual

MONTH	MAINTENANCE				HOURS OF DURATION		REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled FROM	Scheduled TO	Actual FROM	Actual TO	Scheduled	Actual	
Nov	No Outages > or = 6 Hours						
Dec	F		12/22/2003 6:53	12/24/2003 21:52		62:59	Superheater boiler tube leak
Jan	F		1/29/2004 11:04	1/30/2004 23:00		35:56	Superheater boiler tube leak
	S	1/31/2004 0:00			24:00	25:00	SCR
Feb	S				696:00	696:00	SCR
Mar	S			3/14/2004 15:00	327:00	291:04	SCR
	F		3/16/2004 17:36	3/17/2004 1:09		7:33	Dearator leak
	F		3/30/2004 0:37	3/30/2004 12:07		11:30	Feedwater regulator valve
Apr	F		4/10/2004 16:15	4/12/2004 3:37		35:22	Furnace wall boiler tube leak

Schedule vs Actual

Kentucky Utilities Company
 Ghent Unit 2
 November 2003 through April 2004

MONTH	MAINTENANCE		Actual		HOURS OF DURATION		REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled FROM	TO	FROM	TO	Scheduled	Actual	
Nov	S	11/1/2003 18:30	→	11/1/2003 18:30	18:30	18:30	Superheater boiler tube leaks
S	11/7/2003 23:02	11/9/2003 20:05	11/7/2003 23:02	11/9/2003 20:05	45:03	45:03	Superheater boiler tube leaks
S	11/26/2003 23:13	11/29/2003 2:51	11/26/2003 23:13	11/29/2003 2:51	51:38	51:38	Dearator: repair crack in heater shell
Dec	No Outages > or = 6 Hours						
Jan	No Outages > or = 6 Hours						
Feb	F		2/15/2004 23:36	2/17/2004 20:56	45:20	45:20	Opacity stack emissions
Mar	No Outages > or = 6 Hours						
Apr	S	4/17/2004 0:00	→	4/17/2004 23:20	336:00	312:40	Turbine inspection

Schedule vs Actual

Kentucky Utilities Company
 Ghent Unit 3
 November 2003 through April 2004

MONTH	MAINTENANCE				HOURS OF DURATION		REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled FROM	Scheduled TO	Actual FROM	Actual TO	Scheduled	Actual	
Nov	S	11/20/2003 0:34	11/22/2003 17:30	11/20/2003 0:34	11/22/2003 17:30	64:56	64:56 SCR
Dec		No Outages > or = 6 Hours					
Jan	F		1/28/2004 3:13	1/28/2004 23:18		27:55	Superheater boiler tube leaks
Feb	F		2/22/2004 4:53	2/20/2004 10:31		42:22	Superheater boiler tube leaks
Mar	S	3/13/2004 0:00		3/13/2004 0:19		455:41	Turbine inspection
Apr	S		4/11/2004 15:00		4/9/2004 18:38	2:10:38	Turbine inspection
	F			4/27/2004 22:55	4/29/2004 3:46	28:51	Superheater boiler tube leaks

Schedule vs Actual

Kentucky Utilities Company
 Ghent Unit 4
 November 2003 through April 2004

MONTH	MAINTENANCE				HOURS OF DURATION		REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE	
	Scheduled FROM	Scheduled TO	Actual FROM	Actual TO	Scheduled	Actual		
Nov	S	→	11/23/2003 15:00	→	11/17/2003 13:15	543:00	397:15	Annual boiler outage
Dec			No Outages > or = 6 Hours					
Jan			No Outages > or = 6 Hours					
Feb			No Outages > or = 6 Hours					
Mar			No Outages > or = 6 Hours					
Apr	S	4/9/2004 22:44	4/16/2004 12:07	4/9/2004 22:44	4/16/2004 12:07	157:23	157:23	Precipitator fouling

Schedule vs Actual

Kentucky Utilities Company
 Green River Unit 1
 November 2003 through April 2004

MONTH	MAINTENANCE				HOURS OF DURATION		REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled FROM	Scheduled TO	Actual FROM	Actual TO	Scheduled	Actual	
Nov							
Dec							

Nov No Outages > or = 6 Hours

Dec No Outages > or = 6 Hours

NOTE: Unit retired 12/31/03

Schedule vs Actual

Kentucky Utilities Company
 Green River Unit 2
 November 2003 through April 2004

MONTH	MAINTENANCE		HOURS OF DURATION		REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled FROM	Actual TO	Scheduled FROM	Actual TO	
Nov					
Dec					

Nov No Outages > or = 6 Hours

Dec No Outages > or = 6 Hours

NOTE: Unit retired 12/31/03

Schedule vs Actual

Kentucky Utilities Company
 Green River Unit 3
 November 2003 through April 2004

MONTH	MAINTENANCE		Actual		HOURS OF DURATION		REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled FROM	TO	FROM	TO	Scheduled	Actual	
Nov	No Outages > or = 6 Hours						
Dec	F		12/19/2003 10:57	12/19/2003 20:30	9:33		Generator bearings
Jan	F		1/8/2004 13:51	1/9/2004 1:03	11:12		Generator Exciter
Feb	No Outages > or = 6 Hours						
Mar	S	3/13/2004 19:20	3/12/2004 22:25	3/13/2004 19:20	20:55	20:55	Furnace wall boiler tube leaks
	F		3/21/2004 0:18	3/21/2004 19:48	19:30		Superheater boiler tube leaks
	F		3/29/2004 17:08	→	54:52		Furnace wall boiler tube leaks
Apr	F		→	4/2/2004 22:12	46:12		Furnace wall boiler tube leaks
	S	(5/1/2004 12:00:00 AM)	→	→	0:00	3:22	Annual inspection (had a chance to begin a little early)

Schedule vs Actual

Kentucky Utilities Company
 Green River Unit 4
 November 2003 through April 2004

MONTH	MAINTENANCE				HOURS OF DURATION		REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	FROM	SCHEDULED	TO	ACTUAL	SCHEDULED	ACTUAL	
Nov	11/17/2003 20:32	11/19/2003 0:05	11/17/2003 20:32	11/19/2003 0:05	27:33	27:33	Superheater slagging/fouling
F			11/28/2003 8:55	11/28/2003 19:20	10:25		High pressure heater
F			12/9/2003 9:54	12/10/2003 17:45	31:51		Furnace wall boiler tube leaks
F			1/4/2004 16:59	1/5/2004 18:29	25:30		Turbine oil system
S	1/10/2004 11:26	1/11/2004 7:56	1/10/2004 11:26	1/11/2004 7:56	20:30	20:30	Superheater tube leaks
S	1/16/2004 22:13	1/17/2004 15:14	1/16/2004 22:13	1/17/2004 15:14	17:01	17:01	Turbine-generator vibration
S	1/17/2004 19:29	1/18/2004 13:48	1/17/2004 19:29	1/18/2004 13:48	18:19	18:19	Turbine-generator vibration
S	2/13/2004 22:25	2/16/2004 5:58	2/13/2004 22:25	2/16/2004 5:58	55:33	55:33	Furnace wall boiler tube leaks
F			2/26/2004 11:58	2/27/2004 16:18	28:20		Furnace wall boiler tube leaks

Mar No Outages > or = 6 Hours

Apr No Outages > or = 6 Hours

Schedule vs Actual

Kentucky Utilities Company
 Haefling Unit 1
 November 2003 through April 2004

MONTH	SCHEDULED		ACTUAL		REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE	
	FROM	TO	FROM	TO	SCHEDULED	ACTUAL
Nov	No Outages > or = 6 Hours					
Dec	No Outages > or = 6 Hours					
Jan	No Outages > or = 6 Hours					
Feb	No Outages > or = 6 Hours					
Mar	No Outages > or = 6 Hours					
Apr	No Outages > or = 6 Hours					

Schedule vs Actual

Kentucky Utilities Company
Haefling Unit 3
November 2003 through April 2004

MONTH	SCHEDULED		ACTUAL		HOURS OF DURATION		REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE, AS APPROPRIATE
	FROM	TO	FROM	TO	Scheduled	Actual	
Nov	No Outages > or = 6 Hours						
Dec	No Outages > or = 6 Hours						
Jan	No Outages > or = 6 Hours						
Feb	No Outages > or = 6 Hours						
Mar	No Outages > or = 6 Hours						
Apr	No Outages > or = 6 Hours						

Schedule vs Actual

Kentucky Utilities Company
 Tyrone Unit 1
 November 2003 through April 2004

MONTH	MAINTENANCE		HOURS OF DURATION		REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled FROM	Actual TO	Scheduled FROM	Actual TO	
Nov	No Outages > or = 6 Hours				
Dec	No Outages > or = 6 Hours				
Jan	No Outages > or = 6 Hours				
Feb	No Outages > or = 6 Hours				
Mar	No Outages > or = 6 Hours				
Apr	No Outages > or = 6 Hours				

Schedule vs Actual

Kentucky Utilities Company
 Tyrone Unit 2
 November 2003 through April 2004

MONTH	SCHEDULED		ACTUAL		HOURS OF DURATION		REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	FROM	TO	FROM	TO	Scheduled	Actual	
Nov	No Outages > or = 6 Hours						
Dec	No Outages > or = 6 Hours						
Jan	No Outages > or = 6 Hours						
Feb	No Outages > or = 6 Hours						
Mar	No Outages > or = 6 Hours						
Apr	No Outages > or = 6 Hours						

Schedule vs Actual

Kentucky Utilities Company
Tyrone Unit 3
November 2003 through April 2004

MONTH	MAINTENANCE				HOURS OF DURATION		REASON FOR DEVIATION FROM SCHEDULED MAINTENANCE OR REASON FOR FORCED OUTAGE AS APPROPRIATE
	Scheduled FROM	Scheduled TO	Actual FROM	Actual TO	Scheduled	Actual	
Nov	F	11/13/2003 0:00	11/13/2003 18:37	11/13/2003 7:38	11/13/2003 18:37	10:59	Traveling screens
Dec	S	11/15/2003 0:00	11/23/2003 15:00	11/14/2003 21:28	11/22/2003 13:48	207:00	184:20 Annual boiler outage
Jan		No Outages > or = 6 Hours					
Feb	F			2/8/2004 20:15	2/15/2004 10:30	158:15	Condensate filtering system
Mar		No Outages > or = 6 Hours					
Apr	S	4/3/2004 0:00	→	4/2/2004 23:20	→	672:00	672:40 Generator stator rewind

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix A of
Commission's Order Dated June 23, 2004**

Case No. 2004-00213

Question No. 6

Witness: Mike Dotson

- Q-6. List all existing fuel contracts categorized as long-term (i.e., more than 1 year in length). Provide the following information for each contract:
- a. Supplier's name and address.
 - b. Name and location of production facility.
 - c. Date when contract executed.
 - d. Duration of contract.
 - e. Date(s) of each contract revision, modification or amendment.
 - f. Annual tonnage requirements.
 - g. Actual annual tonnage received since the contract's inception.
 - h. Percent of annual requirements received during the contract's term.
 - i. Base price.
 - j. Total amount of price escalations to date.
 - k. Current price paid for coal under the contract (i + j).
- A-6. See Attached Sheets.

A. NAME/ADDRESS: Argus Energy, LLC / KUF03951
107 Dennis Drive
Lexington, Kentucky 40503

Pen Coal Corporation / KUF99679
5110 Maryland Way, Suite 300
Brentwood, TN 37027

B. PRODUCTION FACILITY:
OPERATOR: Cub Branch Mining
MINES: Devilstrace Branch No.2, Rollem Fork
LOCATION: Wayne, Lincoln & Mingo Counties, WV

C. CONTRACT EXECUTED DATE: December 1, 1998

D. CONTRACT DURATION: January 1, 1999 - December 31, 2001

E. CONTRACT AMENDMENTS: Contract amended March 1999 to add additional 30,000 tons in 1999.

Contract amended May 1, 2001 to extend contract expiration to October 31, 2002.
Quality amended to 1.40 Lbs/Mmbtu – SO₂

Contract amended November 1, 2001 to extend contract expiration to December 31, 2003.

Contract amended December 31, 2002 to assign contract to Argus Energy, LLC.

F. ANNUAL TONNAGE REQUIREMENTS:

1999	300,000 tons as amended
2000	450,000 tons
2001	310,462 tons as amended
2002	194,769 tons as amended
2003	194,679 tons as amended

G. ACTUAL TONNAGE RECEIVED:

1999	294,147 tons
2000	385,465 tons
2001	376,671 tons
2002	141,753 tons
2003	67,060 tons

H. PERCENT OF ANNUAL REQUIREMENTS:	1999	98%
	2000	86%
	2001	122%
	2002	73%
	2003	34%

I. BASE PRICE: (FOB Barge)	1/1/99- 6/30/99	113.96 cents per MMBtu
	7/1/99- 12/31/99	115.08 cents per MMBtu
	1/1/00- 6/30/00	116.25 cents per MMBtu
	7/1/00- 12/31/00	117.42 cents per MMBtu
	1/1/01- 6/30/01	118.58 cents per MMBtu
	7/1/01- 12/31/01	119.79 cents per MMBtu
	2002	120.25 cents per MMBtu
	2003	120.25 cents per MMBtu

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: Contract is complete.

A. NAME/ADDRESS: Consol Energy / KUF00731
1800 Washington Road
Pittsburgh, PA 15241

B. PRODUCTION FACILITY:
OPERATOR: Consolidation Coal Company
MINES: Shoemaker & McElroy
LOCATION: Marshall County, WV

C. CONTRACT EXECUTED DATE: May 12, 2000

D. CONTRACT DURATION: January 1, 2000 - December 31, 2004

E. CONTRACT AMENDMENTS: Amendment No. 1 effective January 1,
2002. Amending term, price, quantity and
other terms & conditions.

Amendment No. 2 effective January 1,
2003. Amending term, price quantity and
other terms & conditions.

F. ANNUAL TONNAGE REQUIREMENTS:

2000	1,500,000 tons
2001	1,500,000 tons
2002	800,000 tons
2003	800,000 tons
2004	1,000,000 tons

G. ACTUAL TONNAGE RECEIVED:

2000	581,032 tons
2001	1,343,218 tons
2002	889,109 tons
2003	775,060 tons
2004	231,525 tons (through 4/30/04)

H. PERCENT OF ANNUAL REQUIREMENTS:

2000	39%
2001	90%
2002	126% (Based on 705,846 tons)
2003	97%
2004	69% (Based on 333,333 tons)

I. BASE PRICE: (FOB Barge)	2000	74.38 cents per MMBtu
	2001	75.21 cents per MMBtu
	2002	96.38 cents per MMBtu
	2003	96.31 cents per MMBtu
	2004	96.31 cents per MMBtu
J. ESCALATIONS TO DATE:		None
K. CURRENT CONTRACT PRICE:	96.31	cents per MMBtu

A. NAME/ADDRESS: Arch Coal Sales Company, Inc. / KUF01777
CityPlace One, Suite 30
St. Louis, MO 63131

B. PRODUCTION FACILITY:
OPERATOR: Arch Coal, Inc.
MINES: Ruffner, Wylo, Campbell's Creek
LOCATION: Logan & Kanawha Counties, WV

C. CONTRACT EXECUTED DATE: January 23, 2001

D. CONTRACT DURATION: January 1, 2001 - December 31, 2005

E. CONTRACT AMENDMENTS: Amendment No. 1 effective January 1, 2003. Amending tonnage, price and expiration date to December 31, 2005.

F. ANNUAL TONNAGE REQUIREMENTS:

2001	900,000 tons
2002	900,000 tons
2003	200,000 tons
2004	400,000 tons
2005	Tonnage to be negotiated

G. ACTUAL TONNAGE RECEIVED:

2001	390,982 tons
2002	421,568 tons
2003	108,892 tons
2004	22,886 tons (through 4/30/04)

H. PERCENT OF ANNUAL REQUIREMENTS:

2001	82% (Based on 478,658 tons)
2002	122% (Based on 346,293 tons)
2003	96% (Based on 113,941 tons)
2004	117% (Based on 19,516 tons)

I. BASE PRICE: (FOB Barge/
Huntington Docks)

2001	110.45 cents per MMBtu
2002	113.11 cents per MMBtu
2003	134.22 cents per MMBtu
2004	139.30 cents per MMBtu

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: 139.30 cents per MMBtu

A. NAME/ADDRESS: Ceredo Synfuel, LLC / KUF01833
Main & River Streets
Ceredo, West Virginia 25507

B. PRODUCTION FACILITY:
OPERATOR: Kanawha River Terminals, Inc.
PLANT: KRT-Ceredo Plant
LOCATION: Cabell County, WV

C. CONTRACT EXECUTED DATE:

D. CONTRACT DURATION: March 1, 2001 - December 31, 2004

E. CONTRACT AMENDMENTS: Contract tonnage assigned from Arch Coal Sales Company, Inc. – Contract KUF01777. Contract amended effective January 1, 2003.

F. ANNUAL TONNAGE REQUIREMENTS: As Available

G. ACTUAL TONNAGE RECEIVED:

2001	251,369 tons
2002	408,684 tons
2003	86,059 tons
2004	29,961 tons (through 4/30/04)

H. PERCENT OF ANNUAL REQUIREMENTS:

2001	100%
2002	100%
2003	100%
2004	117% (Based on 25,550 tons)

I. BASE PRICE: (FOB Barge)

2001	102.25 cents per MMBtu
2002	104.92 cents per MMBtu
2003	126.03 cents per MMBtu
2004	131.11 cents per MMBtu

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: 131.11 cents per MMBtu

A. NAME/ADDRESS: Black Hawk Synfuel, LLC / KUF04864
Main & River Streets
Ceredo, West Virginia 25507

B. PRODUCTION FACILITY:
OPERATOR: Kanawha River Terminals, Inc.
PLANT: Kanawha Plant
LOCATION: Kanawha County, WV

C. CONTRACT EXECUTED DATE:

D. CONTRACT DURATION: January 1, 2004 - December 31, 2004

E. CONTRACT AMENDMENTS: Contract tonnage assigned from Arch Coal
Sales Company, Inc. – Contract KUF01777.
Contract amended effective January 1, 2004.

F. ANNUAL TONNAGE
REQUIREMENTS: As Available

G. ACTUAL TONNAGE:
RECEIVED: 2004 103,506 tons (through 4/30/04)

H. PERCENT OF ANNUAL
REQUIREMENTS: 2004 117% (Based on 88,267 tons)

I. BASE PRICE: (FOB Barge) 2004 124.10 cents per MMBtu

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: 124.10 cents per MMBtu

A. NAME/ADDRESS: Arch Coal Sales Company, Inc. / KUF02848
CityPlace One, Suite 30
St. Louis, MO 63141

B. PRODUCTION FACILITY:
OPERATOR: Arch Coal, Inc.
MINES: Black Thunder Mine
LOCATION: Campbell County, WY

C. CONTRACT EXECUTED DATE: December 31, 2001

D. CONTRACT DURATION: January 1, 2002 - December 31, 2005

E. CONTRACT AMENDMENTS: None

F. ANNUAL TONNAGE REQUIREMENTS:

2002	1,000,000 tons
2003	1,000,000 tons

G. ACTUAL TONNAGE RECEIVED:

2002	765,772 tons
2003	919,470 tons
2004	223,214 tons (through 4/30/04)

H. PERCENT OF ANNUAL REQUIREMENTS:

2002	77%
2003	92%
2004	Carry-over tons

I. BASE PRICE: (FOB Railcar)

2002	59.66 cents per MMBtu
2003	59.66 cents per MMBtu
2004	59.66 cents per MMBtu

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: 59.66 cents per MMBtu

A. NAME/ADDRESS: Arch Coal Sales Company, Inc. / KUF02849
CityPlace One, Suite 30
St. Louis, MO 63141

B. PRODUCTION FACILITY:
OPERATOR: Arch Coal, Inc.
MINES: Mingo-Logan, Ruffner, Wylo, Campbell's
Creek
LOCATION: Mingo, Logan, Boone & Kanawha Counties,
WV

C. CONTRACT EXECUTED DATE: December 31, 2001

D. CONTRACT DURATION: January 1, 2002 - December 31, 2005

E. CONTRACT AMENDMENTS: Amendment No.1, effective December 1,
2003. Amending tonnage, quality, price and
other terms & conditions.

F. ANNUAL TONNAGE
REQUIREMENTS:

2002	600,000 tons
2003	1,100,000 tons
2004	800,000 tons
2005	800,000 tons

G. ACTUAL TONNAGE:
RECEIVED:

2002	311,548 tons
2003	157,918 tons
2004	0 tons (through 4/30/04)

H. PERCENT OF ANNUAL
REQUIREMENTS:

2002	105% (Based on 296,152 tons)
2003	83% (Based on 189,638 tons)
2004	0% (Based on 0 tons)

I. BASE PRICE: (FOB Barge
Huntington Docks)

2002	183.33 cents per MMBtu
1/1/03-11/30/03	183.33 cents per MMBtu
12/1/03-12/31/03	143.44 cents per MMBtu
2004	151.64 cents per MMBtu
2005	154.71 cents per MMBtu

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: 151.64 cents per MMBtu

A. NAME/ADDRESS: Black Hawk Synfuel, LLC / KUF02889
Main & River Streets
Ceredo, West Virginia 25507

B. PRODUCTION FACILITY:
OPERATOR: Kanawha River Terminals, Inc.
PLANT: Kanawha Plant
LOCATION: Kanawha County, WV

C. CONTRACT EXECUTED DATE: August 1, 2002

D. CONTRACT DURATION: May 15, 2002 - December 31, 2004

E. CONTRACT AMENDMENTS: Contract tonnage assigned from Arch Coal
Sales Company, Inc. – Contract KUF02849.

F. ANNUAL TONNAGE
REQUIREMENTS: As Available

G. ACTUAL TONNAGE:
RECEIVED: 2002 277,908 tons
2003 549,414 tons
2004 222,174 tons (through 4/30/04)

H. PERCENT OF ANNUAL
REQUIREMENTS: 2002 100%
2003 100%
2004 88% (Based on 252,093 tons)

I. BASE PRICE: (FOB Barge) 2002 167.08 cents per MMBtu
2003 167.08 cents per MMBtu
2004 136.19 cents per MMBtu

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: 136.19 cents per MMBtu

A. NAME/ADDRESS: Ceredo Synfuel, LLC / KUF02890
Main & River Streets
Ceredo, West Virginia 25507

B. PRODUCTION FACILITY:
OPERATOR: Kanawha River Terminals, Inc.
PLANT: KRT-Ceredo Plant
LOCATION: Cabell County, WV

C. CONTRACT EXECUTED DATE: August 1, 2002

D. CONTRACT DURATION: May 15, 2002 - December 31, 2004

E. CONTRACT AMENDMENTS: Contract tonnage assigned from Arch Coal
Sales Company, Inc. – Contract KUF02849.
Contract amended effective January 1, 2003.

F. ANNUAL TONNAGE
REQUIREMENTS: As Available

G. ACTUAL TONNAGE:
RECEIVED: 2002 25,940 tons
2003 329,267 tons
2004 12,844 tons (through 4/30/04)

H. PERCENT OF ANNUAL
REQUIREMENTS: 2002 100%
2003 100%
2004 88% (Based on 14,573 tons)

I. BASE PRICE: (FOB Barge) 2002 175.00 cents per MMBtu
2003 175.00 cents per MMBtu
2004 143.44 cents per MMBtu

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: 143.44 cents per MMBtu

A. NAME/ADDRESS: KRT as agent for RC Synfuel, LLC/
KUF03937
Main & River Streets
Ceredo, West Virginia 25507

B. PRODUCTION FACILITY:
OPERATOR: Kanawha River Terminals, Inc.
PLANT: KRT-Ceredo Plant
LOCATION: Cabell County, WV

C. CONTRACT EXECUTED DATE:

D. CONTRACT DURATION: January 1, 2003 - December 31, 2004

E. CONTRACT AMENDMENTS: Contract tonnage assigned from Arch Coal
Sales Company, Inc. – Contract KUF02849.

F. ANNUAL TONNAGE
REQUIREMENTS: As Available

G. ACTUAL TONNAGE:
RECEIVED: 2003 31,681 tons
2004 0 tons (through 4/30/04)

H. PERCENT OF ANNUAL
REQUIREMENTS: 2003 100%
2004 0%

I. BASE PRICE: (FOB Barge) 2003 175.00 cents per MMBtu
2004 143.44 cents per MMBtu

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: 143.44 cents per MMBtu

A. NAME/ADDRESS: Massey Coal Sales Company, Inc. /
KUF02850
P.O. Box 26765
Richmond, VA 23261

B. PRODUCTION FACILITY:
OPERATOR: Black Castle Mining, Co., Elk Run Coal
Company
MINE: Elk Run, Progress, Black Castle & Bandmill
LOCATION: Boone & Logan Counties, WV

C. CONTRACT EXECUTED DATE: February 14, 2002

D. CONTRACT DURATION: April 1, 2002 – March 31, 2004

E. CONTRACT AMENDMENTS: None

F. ANNUAL TONNAGE
REQUIREMENTS: 2002 533,333 tons
2003 800,000 tons
2004 266,667 tons

G. ACTUAL TONNAGE:
RECEIVED: 2002 412,489 tons
2003 280,861 tons
2004 10,956 tons (through 4/30/04)

H. PERCENT OF ANNUAL
REQUIREMENTS: 2002 79% (Based on 522,095 tons)
2003 136% (Based on 206,855 tons)
2004 100% (Based on 10,956 tons)

I. BASE PRICE: (FOB Barge) 2002 180.63 cents per MMBtu
2003 180.63 cents per MMBtu
2004 180.63 cents per MMBtu

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: 180.63 cents per MMBtu

A. NAME/ADDRESS: Ceredo Synfuel, LLC / KUF02897
Main & River Streets
Ceredo, West Virginia 25507

B. PRODUCTION FACILITY:
OPERATOR: Kanawha River Terminals, Inc.
PLANT: KRT-Ceredo Plant
LOCATION: Cabell County, WV

C. CONTRACT EXECUTED DATE: August 22, 2002

D. CONTRACT DURATION: May 15, 2002 - March 31, 2004

E. CONTRACT AMENDMENTS: Contract tonnage assigned from Massey
Coal Sales Company, Inc. – Contract
KUF02850.

F. ANNUAL TONNAGE
REQUIREMENTS: As Available

G. ACTUAL TONNAGE:
RECEIVED: 2002 77,905 tons
2003 194,843 tons
2004 0 tons (through 4/30/04)

H. PERCENT OF ANNUAL
REQUIREMENTS: 2002 100%
2003 100%
2004 0%

I. BASE PRICE: (FOB Barge) 2002 172.29 cents per MMBtu
2003 172.29 cents per MMBtu
2004 172.29 cents per MMBtu

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: 172.29 cents per MMBtu

A. NAME/ADDRESS: Black Hawk Synfuel, LLC as agent for New
River Synfuel, LLC / KUF03942
Main & River Streets
Ceredo, West Virginia 25507

B. PRODUCTION FACILITY:
OPERATOR: Kanawha River Terminals, Inc.
PLANT: Kanawha Plant
LOCATION: Kanawha County, WV

C. CONTRACT EXECUTED DATE: April 1, 2003

D. CONTRACT DURATION: April 1, 2003 - March 31, 2004

E. CONTRACT AMENDMENTS: Contract tonnage assigned from Massey
Coal Sales Company, Inc. – Contract
KUF02850.

F. ANNUAL TONNAGE
REQUIREMENTS: As Available

G. ACTUAL TONNAGE:
RECEIVED: 2003 167,276 tons
2004 4,844 tons (through 4/30/04)

H. PERCENT OF ANNUAL
REQUIREMENTS: 2003 100%
2004 100%

I. BASE PRICE: (FOB Barge) 2003 165.00 cents per MMBtu
2004 165.00 cents per MMBtu

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: 165.00 cents per MMBtu

A. NAME/ADDRESS: Marmet Synfuel, LLC as agent for Calla
Synfuel, LLC / KUF03940
Main & River Streets
Ceredo, West Virginia 25507

B. PRODUCTION FACILITY:
OPERATOR: Kanawha River Terminals, Inc.
PLANT: Marmet Plant
LOCATION: Kanawha County, WV

C. CONTRACT EXECUTED DATE: April 1, 2003

D. CONTRACT DURATION: April 1, 2003 - March 31, 2004

E. CONTRACT AMENDMENTS: Contract tonnage assigned from Massey
Coal Sales Company, Inc. – Contract
KUF02850.

F. ANNUAL TONNAGE
REQUIREMENTS: As Available

G. ACTUAL TONNAGE:
RECEIVED: 2003 105,769 tons
2004 74,369 tons (through 4/30/04)

H. PERCENT OF ANNUAL
REQUIREMENTS: 2003 100%
2004 100%

I. BASE PRICE: (FOB Barge) 2003 165.00 cents per MMBtu
2004 165.00 cents per MMBtu

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: 165.00 cents per MMBtu

A. NAME/ADDRESS: Marmet Synfuel, LLC as agent for Imperial
Synfuel, LLC / KUF03943
Main & River Streets
Ceredo, West Virginia 25507

B. PRODUCTION FACILITY:
OPERATOR: Kanawha River Terminals, Inc.
PLANT: Marmet Plant
LOCATION: Kanawha County, WV

C. CONTRACT EXECUTED DATE: April 1, 2003

D. CONTRACT DURATION: April 1, 2003 - March 31, 2004

E. CONTRACT AMENDMENTS: Contract tonnage assigned from Massey
Coal Sales Company, Inc. – Contract
KUF02850.

F. ANNUAL TONNAGE
REQUIREMENTS: As Available

G. ACTUAL TONNAGE:
RECEIVED: 2003 114,232 tons
2004 122,336 tons (through 4/30/04)

H. PERCENT OF ANNUAL
REQUIREMENTS: 2003 100%
2004 100%

I. BASE PRICE: (FOB Barge) 2003 165.00 cents per MMBtu
2004 165.00 cents per MMBtu

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: 165.00 cents per MMBtu

A. NAME/ADDRESS: KRT as agent for RC Synfuel, LLC /
KUF03938
Main & River Streets
Ceredo, West Virginia 25507

B. PRODUCTION FACILITY:
OPERATOR: Kanawha River Terminals, Inc.
PLANT: KRT-Ceredo Plant
LOCATION: Cabell County, WV

C. CONTRACT EXECUTED DATE: April 1, 2003

D. CONTRACT DURATION: April 1, 2003 - March 31, 2004

E. CONTRACT AMENDMENTS: Contract tonnage assigned from Massey
Coal Sales Company, Inc. – Contract
KUF02850.

F. ANNUAL TONNAGE
REQUIREMENTS: As Available

G. ACTUAL TONNAGE:
RECEIVED: 2003 11,026 tons
2004 0 tons (through 4/30/04)

H. PERCENT OF ANNUAL
REQUIREMENTS: 2003 100%
2004 0%

I. BASE PRICE: (FOB Barge) 2003 172.29 cents per MMBtu
2004 172.29 cents per MMBtu

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: 172.29 cents per MMBtu

A. NAME/ADDRESS: Black Beauty Coal Company / KUF02857
414 South Fares Ave.
Evansville, Indiana 47702

B. PRODUCTION FACILITY:
OPERATOR: Black Beauty Coal Company
MINES: Somerville North & Central Mines
LOCATION: Gibson County, IN

C. CONTRACT EXECUTED DATE: October 26, 2001

D. CONTRACT DURATION: January 1, 2002 – December 31, 2007

E. CONTRACT AMENDMENTS: Amendment No.1 effective January 1, 2004.
Amending tonnage, term, quality and price.

F. ANNUAL TONNAGE REQUIREMENTS:

2002	250,000 tons
2003	500,000 tons
2004	500,000 tons
2005	500,000 tons
2006	500,000 tons
2007	500,000 tons

G. ACTUAL TONNAGE RECEIVED:

2002	229,166 tons
2003	486,333 tons
2004	9,324 tons (through 4/30/04)

H. PERCENT OF ANNUAL REQUIREMENTS:

2002	101% (Based on 226,461 tons)
2003	97%
2004	0%

I. BASE PRICE: (FOB Barge)

2002	109.10 cents per MMBtu–Quality #2
2003	109.10 cents per MMBtu–Quality #2
2004	105.68 cents per MMBtu–Quality #2

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: 105.68 cents per MMBtu – Quality #2

A. NAME/ADDRESS: Dodge Hill Mining Company, LLC /
KUF02909
435 Davis Mine Road
Sturgis, Kentucky 42459

B. PRODUCTION FACILITY:
OPERATOR: Dodge Hill Mining Company, LLC
MINES: Dekoven Mine
LOCATION: Union County, KY

C. CONTRACT EXECUTED DATE: October 31, 2002

D. CONTRACT DURATION: November 1, 2002 – December 31, 2005

E. CONTRACT AMENDMENTS: Amendment No. 1 effective January 15,
2003. Amending quantity – increase base
tonnage to 300,000.

F. ANNUAL TONNAGE
REQUIREMENTS:

2002	14,285 tons / Base
2003	85,715 tons / Base
2004	100,000 tons / Base
2005	100,000 tons / Base
2003	200,000 tons / KU option
2004	200,000 tons / KU option
2005	200,000 tons / KU option

G. ACTUAL TONNAGE:
RECEIVED:

2002	50,311 tons
2003	141,136 tons
2004	85,714 tons (through 4/30/04)

H. PERCENT OF ANNUAL
REQUIREMENTS:

2002	352%
2003	100%
2004	100%

I. BASE PRICE: (FOB Plant)

2002	136.00 cents per MMBtu
2003	136.00 cents per MMBtu
2004	138.00 cents per MMBtu
2005	140.00 cents per MMBtu

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: 138.00 cents per MMBtu

A. NAME/ADDRESS: Smoky Mountain Coal Corp. / KUF02860
9725 Cogdill Road, Suite 203
Knoxville, Tennessee 42413

B. PRODUCTION FACILITY:

OPERATOR:	KMMC Mining
MINES:	Vision #9
LOCATION:	Webster County, KY
OPERATOR:	Allied Resources, Inc.
MINES:	Onton Resources' Mines
LOCATION:	Webster County, KY

C. CONTRACT EXECUTED DATE: February 27, 2002

D. CONTRACT DURATION: January 1, 2002 – December 31, 2010

E. CONTRACT AMENDMENTS: Amendment No. 1 effective January 1, 2004. Amending term, quantity, quality and price.

F. ANNUAL TONNAGE REQUIREMENTS:

2002	200,000 tons
2003	200,000 tons
2004	400,000 tons
2005	400,000 tons
2006	400,000 tons
2007-2010	To be determined

G. ACTUAL TONNAGE RECEIVED:

2002	52,826 tons
2003	203,370 tons
2004	38,364 tons (through 4/30/04)

H. PERCENT OF ANNUAL REQUIREMENTS:

2002	26%
2003	102%
2004	28% (Based on 133,333 tons)

I. BASE PRICE: (FOB Barge/ Seebree Dock)

2002	115.40 cents per MMBtu– Quality A
2003	115.40 cents per MMBtu– Quality A
2004	119.40 cents per MMBtu– Quality A
2004	102.00 cents per MMBtu– Quality C
2005	106.00 cents per MMBtu– Quality C
2006	107.70 cents per MMBtu– Quality C

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: 119.40 cents per MMBtu – Quality A

A. NAME/ADDRESS: CONSOL Energy, Inc. / KUF03904
1800 Washington Road
Pittsburgh, Pennsylvania 15241

B. PRODUCTION FACILITY:
OPERATOR: CONSOL of Kentucky
MINES: Mill Creek
LOCATION: Letcher County, KY

C. CONTRACT EXECUTED DATE: January 15, 2003

D. CONTRACT DURATION: January 1, 2003 – December 31, 2005

E. CONTRACT AMENDMENTS: None

F. ANNUAL TONNAGE REQUIREMENTS:

2003	390,000 tons
2004	360,000 tons
2005	330,000 tons

G. ACTUAL TONNAGE RECEIVED:

2003	375,821 tons
2004	138,080 tons (through 4/30/04)

H. PERCENT OF ANNUAL REQUIREMENTS:

2003	96%
2004	115% (Based on 120,000 tons)

I. BASE PRICE: (FOB Railcar)

2003	104.00 cents per MMBtu
2004	106.00 cents per MMBtu
2005	108.00 cents per MMBtu

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: 106.00 cents per MMBtu

A. NAME/ADDRESS: CONSOL Energy, Inc. / KUF03904
1800 Washington Road
Pittsburgh, Pennsylvania 15241

B. PRODUCTION FACILITY:
OPERATOR: CONSOL Pennsylvania Coal Co.
MINES: Bailey/Enlow Fork
LOCATION: Greene County, PA

C. CONTRACT EXECUTED DATE: January 15, 2003

D. CONTRACT DURATION: January 1, 2003 – December 31, 2005

E. CONTRACT AMENDMENTS: None

F. ANNUAL TONNAGE REQUIREMENTS:

2003	110,000 tons
2004	140,000 tons
2005	170,000 tons

G. ACTUAL TONNAGE RECEIVED:

2003	112,952 tons
2004	28,169 tons (through 4/34/04)

H. PERCENT OF ANNUAL REQUIREMENTS:

2003	103%
2004	60% (Based on 46,667 tons)

I. BASE PRICE: (FOB Plant)

2003	131.56 cents per MMBtu
2004	134.15 cents per MMBtu
2005	136.85 cents per MMBtu

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: 134.15 cents per MMBtu

A. NAME/ADDRESS: Progress Fuels Corp. / KUF03915
410 South Wilmington Street
Raleigh, North Carolina 27601

B. PRODUCTION FACILITY:
OPERATOR: Diamond May Coal Company
MINES: Various mines operated by Diamond May
Coal Company.
LOCATION: Perry & Knott Counties, KY

C. CONTRACT EXECUTED DATE: January 27, 2003

D. CONTRACT DURATION: January 1, 2003 – December 31, 2006

E. CONTRACT AMENDMENTS: Amendment No. 1 effective February 1,
2004. Amending Producer, and delivery
point.

F. ANNUAL TONNAGE
REQUIREMENTS:

2003	324,000 tons
2004	432,000 tons
2005	To be determined
2006	To be determined

G. ACTUAL TONNAGE:
RECEIVED:

2003	275,751 tons
2004	113,052 tons (through 4/30/04)

H. PERCENT OF ANNUAL
REQUIREMENTS:

2003	99%	(Based on 277,977 tons)
2004	88%	(Based on 128,120 tons)

I. BASE PRICE: (FOB Railcar)

2003	109.77 cents per MMBtu
2004	109.77 cents per MMBtu
2005	To be determined
2006	To be determined

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: 109.77 cents per MMBtu

A. NAME/ADDRESS: Solid Energy, LLC / KUF03980
Main & River Streets
Ceredo, West Virginia 25507

B. PRODUCTION FACILITY:
OPERATOR: Solid Energy, LLC
PLANT: Solid Energy-Plant
LOCATION: Letcher County, KY

C. CONTRACT EXECUTED DATE: November 1, 2003

D. CONTRACT DURATION: November 1, 2003 – January 31, 2005

E. CONTRACT AMENDMENTS: Contract tonnage assigned from Progress
Fuels Corp. – Contract KUF03915.

F. ANNUAL TONNAGE
REQUIREMENTS: As Available

G. ACTUAL TONNAGE:
RECEIVED: 2003 46,023 tons
2004 15,880 tons (through 4/30/04)

H. PERCENT OF ANNUAL
REQUIREMENTS: 2003 100%
2004 100%

I. BASE PRICE: (FOB Railcar) 2003 101.95 cents per MMBtu
2004 101.95 cents per MMBtu

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: 101.95 cents per MMBtu

A. NAME/ADDRESS: Perry County Coal Corp. / KUF03913
200 Allison Blvd.
Corbin, Kentucky 40701

B. PRODUCTION FACILITY:
OPERATOR: Perry County Coal Corp.
MINES: E-4 & E-3 mines
LOCATION: Perry County, KY

C. CONTRACT EXECUTED DATE: March 20, 2003

D. CONTRACT DURATION: April 1, 2003 – December 31, 2005

E. CONTRACT AMENDMENTS: None

F. ANNUAL TONNAGE REQUIREMENTS:

2003	200,000 tons
2004	400,000 tons
2005	To be determined

G. ACTUAL TONNAGE RECEIVED:

2003	90,302 tons
2004	59,164 tons (through 4/30/04)

H. PERCENT OF ANNUAL REQUIREMENTS:

2003	66%	(Based on 137,835 tons)
2004	73%	(Based on 80,876 tons)

I. BASE PRICE: (FOB Railcar)

2003	123.08 cents per MMBtu
2004	123.08 cents per MMBtu
2005	To be determined

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: 123.08 cents per MMBtu

A. NAME/ADDRESS: Pike Letcher Synfuel, LLC / KUF03954
200 Allison Blvd.
Corbin, Kentucky 40701

B. PRODUCTION FACILITY:
OPERATOR: Perry County Coal Corp.
PLANT: BG#4 Synthetic fuel facility
LOCATION: Perry County, KY

C. CONTRACT EXECUTED DATE: October 15, 2003

D. CONTRACT DURATION: June 1, 2003 – December 31, 2005

E. CONTRACT AMENDMENTS: Contract tonnage assigned from Perry
County Coal Corp. – Contract KUF03913.

F. ANNUAL TONNAGE
REQUIREMENTS: As Available

G. ACTUAL TONNAGE:
RECEIVED: 2003 62,165 tons
2004 52,457 tons (through 4/30/04)

H. PERCENT OF ANNUAL
REQUIREMENTS: 2003 100%
2004 100%

I. BASE PRICE: (FOB Railcar) 2003 115.39 cents per MMBtu
2004 115.39 cents per MMBtu

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: 115.39 cents per MMBtu

A. NAME/ADDRESS: American Mining & Manufacturing Corp. /
KUF02908
P.O. Box 244
Buckner, Kentucky 40010

B. PRODUCTION FACILITY:
OPERATOR: American Mining & Manufacturing Corp.
MINES: Stone Chapel
LOCATION: Hopkins County, KY

C. CONTRACT EXECUTED DATE: December 4, 2002

D. CONTRACT DURATION: November 1, 2002 – October 31, 2006

E. CONTRACT AMENDMENTS: None

F. ANNUAL TONNAGE REQUIREMENTS:

2002	50,000 tons
2003	300,000 tons
2004	300,000 tons
2005	250,000 tons
2006	To be determined

G. ACTUAL TONNAGE RECEIVED:

2002	0 tons
2003	234,182 tons
2004	55,603 tons (through 4/30/04)

H. PERCENT OF ANNUAL REQUIREMENTS:

2002	0%
2003	78%
2004	56% (Based on 100,000 tons)

I. BASE PRICE: (FOB Plant)

2002	132.61 cents per MMBtu – Quality B
2003	132.61 cents per MMBtu – Quality B
2004	134.78 cents per MMBtu – Quality B
2005	136.96 cents per MMBtu – Quality B

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: 132.61 cents per MMBtu – Quality B
(still receiving coal at 2003 price.)

A. NAME/ADDRESS: American Mining & Manufacturing Corp. /
KUF02918
P.O. Box 244
Buckner, Kentucky 40010

B. PRODUCTION FACILITY:
OPERATOR: Ikerd Coal Company, LLC
PLANT: Blue Grass Synfuel Plant
LOCATION: Pulaski County, KY
MINES: Runyon Branch, Trace Branch
LOCATION: Knox & Whitley Counties, KY

C. CONTRACT EXECUTED DATE: December 10, 2002

D. CONTRACT DURATION: November 18, 2002 – December 31, 2005

E. CONTRACT AMENDMENTS: Amendment No. 1 effective January 1,
2004. Amending Producer, term, price.

F. ANNUAL TONNAGE REQUIREMENTS:

2002	20,000 tons (As required by KU)
2003	120,000 tons (As required by KU)
2004	60,000 tons (As required by KU)
2005	To be determined

G. ACTUAL TONNAGE RECEIVED:

2002	0 tons
2003	58,132 tons
2004	9,011 tons (through 4/30/04)

H. PERCENT OF ANNUAL REQUIREMENTS:

2002	0%	(Based on 20,000 tons)
2003	48%	(Based on 120,000 tons)
2004	45%	(Based on 20,000 tons)

I. BASE PRICE: (FOB Plant)

2002	138.75 cents per MMBtu
2003	141.25 cents per MMBtu
2004	170.83 cents per MMBtu

J. ESCALATIONS TO DATE: 0.62 cents per MMBtu

K. CURRENT CONTRACT PRICE: 171.45 cents per MMBtu

A. NAME/ADDRESS: Lafayette Coal Company / KUF03956
200 Frontage Road, Suite 310
Burr Ridge, Illinois 60527

B. PRODUCTION FACILITY:
OPERATOR: Hazelton Mining, LLC
PLANT: Hazelton Mine
LOCATION: Gibson County, IN

C. CONTRACT EXECUTED DATE: September 3, 2003

D. CONTRACT DURATION: September 3, 2003 – December 31, 2006

E. CONTRACT AMENDMENTS: Amendment No. 1 effective September 15, 2003. Amending price.

F. ANNUAL TONNAGE REQUIREMENTS:

2003	50,000 tons
2004	200,000 tons
2005	300,000 tons
2006	300,000 tons

G. ACTUAL TONNAGE RECEIVED:

2003	37,148 tons
2004	42,393 tons (through 4/30/04)

H. PERCENT OF ANNUAL REQUIREMENTS:

2003	74%
2004	64% (Based on 66,667 tons)

I. BASE PRICE: (FOB Barge)

2003	140.91 cents per MMBtu
2004	142.05 cents per MMBtu
2005	145.68 cents per MMBtu
2006	150.23 cents per MMBtu

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: 142.05 cents per MMBtu

A. NAME/ADDRESS: Infinity Coal Sales, LLC / KUF04952
3315 Springbank Lane, Suite 106,
Charlotte, North Carolina 28226

B. PRODUCTION FACILITY:
OPERATOR: Panther Coal Company, LLC
MINES: Panther Mine
LOCATION: Kanawha County, WV

C. CONTRACT EXECUTED DATE: August 5, 2003

D. CONTRACT DURATION: January 1, 2004 – December 31, 2006

E. CONTRACT AMENDMENTS: None

F. ANNUAL TONNAGE REQUIREMENTS:

2004	500,000 tons
2005	500,000 tons
2006	500,000 tons

G. ACTUAL TONNAGE RECEIVED:

2004	0 tons (through 4/30/04)
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H. PERCENT OF ANNUAL REQUIREMENTS:

2004	0%
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I. BASE PRICE: (FOB Plant)

2004	138.60 cents per MMBtu
2005	141.20 cents per MMBtu
2006	143.80 cents per MMBtu

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: 138.60 cents per MMBtu

A. NAME/ADDRESS: Marmet Synfuel, LLC as agent for Imperial
Synfuel, LLC / KUF04005
Main & River Streets
Ceredo, West Virginia 25507

B. PRODUCTION FACILITY:
OPERATOR: Kanawha River Terminals, Inc.
PLANT: Marmet Plant
LOCATION: Kanawha County, WV

C. CONTRACT EXECUTED DATE:

D. CONTRACT DURATION: January 1, 2004 - December 31, 2004

E. CONTRACT AMENDMENTS: Contract tonnage assigned from Infinity
Coal Sales, LLC. – Contract KUF04952.

F. ANNUAL TONNAGE
REQUIREMENTS: As Available

G. ACTUAL TONNAGE:
RECEIVED: 2004 84,253 tons (through 4/30/04)

H. PERCENT OF ANNUAL
REQUIREMENTS: 2004 112% (Based on 75,436 tons)

I. BASE PRICE: (FOB Barge) 2004 130.60 cents per MMBtu

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: 130.60 cents per MMBtu

A. NAME/ADDRESS: Marmet Synfuel, LLC as agent for Calla
Synfuel, LLC / KUF04006
Main & River Streets
Ceredo, West Virginia 25507

B. PRODUCTION FACILITY:
OPERATOR: Kanawha River Terminals, Inc.
PLANT: Marmet Plant
LOCATION: Kanawha County, WV

C. CONTRACT EXECUTED DATE:

D. CONTRACT DURATION: January 1, 2004 - December 31, 2004

E. CONTRACT AMENDMENTS: Contract tonnage assigned from Infinity
Coal Sales, LLC. – Contract KUF04952.

F. ANNUAL TONNAGE
REQUIREMENTS: As Available

G. ACTUAL TONNAGE:
RECEIVED: 2004 55,357 tons (through 4/30/04)

H. PERCENT OF ANNUAL
REQUIREMENTS: 2004 112% (Based on 49,564 tons)

I. BASE PRICE: (FOB Barge) 2004 130.60 cents per MMBtu

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: 130.60 cents per MMBtu

A. NAME/ADDRESS: Central Coal Company / KUF04955
148 Bristol East Road
Bristol, Virginia 24202

B. PRODUCTION FACILITY:
OPERATOR: Kanawha Eagle Coal, LLC
MINES: Mine 68, Newtown Energy
LOCATION: Kanawha County, WV

C. CONTRACT EXECUTED DATE: July 28, 2003

D. CONTRACT DURATION: January 1, 2004 – December 31, 2005

E. CONTRACT AMENDMENTS: None

F. ANNUAL TONNAGE REQUIREMENTS:

2004	240,000 tons
2005	240,000 tons

G. ACTUAL TONNAGE RECEIVED:

2004	66,163 tons (through 4/30/04)
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H. PERCENT OF ANNUAL REQUIREMENTS:

2004	83% (Based on 80,000 tons)
------	----------------------------

I. BASE PRICE: (FOB Plant)

2004	145.00 cents per MMBtu
2005	148.00 cents per MMBtu

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: 145.00 cents per MMBtu

A. NAME/ADDRESS: Progress Fuels Corp. / KUF04957
South Wilmington Street
Raleigh, North Carolina 27601

B. PRODUCTION FACILITY:
OPERATOR: Diamond May Coal Company
MINES: Big Branch, Lakeview, Trace Fork
LOCATION: Perry & Knott Counties, KY

C. CONTRACT EXECUTED DATE: September 24, 2003

D. CONTRACT DURATION: January 1, 2004 – December 31, 2005

E. CONTRACT AMENDMENTS: None

F. ANNUAL TONNAGE REQUIREMENTS:
2004 240,000 tons
2005 240,000 tons

G. ACTUAL TONNAGE RECEIVED:
2004 45,425 tons (through 4/30/04)

H. PERCENT OF ANNUAL REQUIREMENTS:
2004 57% (Based on 80,000 tons)

I. BASE PRICE: (FOB Plant)
2004 134.77 cents per MMBtu
2005 136.72 cents per MMBtu

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: 134.77 cents per MMBtu

A. NAME/ADDRESS: Progress Fuels Corp. / KUF04966
South Wilmington Street
Raleigh, North Carolina 27601

B. PRODUCTION FACILITY:
OPERATOR: Various Companies
MINES: Purchased coal
LOCATION: Kanawha, WV

C. CONTRACT EXECUTED DATE: September 24, 2003

D. CONTRACT DURATION: January 1, 2004 – December 31, 2005

E. CONTRACT AMENDMENTS: None

F. ANNUAL TONNAGE REQUIREMENTS:

2004	240,000 tons
2005	240,000 tons

G. ACTUAL TONNAGE RECEIVED:

2004	39,009 tons (through 4/30/04)
------	-------------------------------

H. PERCENT OF ANNUAL REQUIREMENTS:

2004	88% (Based on 44,233 tons)
------	----------------------------

I. BASE PRICE: (FOB Plant)

2004	139.58 cents per MMBtu
2005	141.67 cents per MMBtu

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: 139.58 cents per MMBtu

A. NAME/ADDRESS: Black Hawk Synfuel, LLC as agent for New
River Synfuel, LLC / KUF04958
Main & River Streets
Ceredo, West Virginia 25507

B. PRODUCTION FACILITY:
OPERATOR: Kanawha River Terminals, Inc.
PLANT: Kanawha Plant
LOCATION: Kanawha County, WV

C. CONTRACT EXECUTED DATE:

D. CONTRACT DURATION: January 1, 2004 - December 31, 2004

E. CONTRACT AMENDMENTS: Contract tonnage assigned from Progress
Fuels Corp. – Contract KUF04966.

F. ANNUAL TONNAGE
REQUIREMENTS: As Available

G. ACTUAL TONNAGE:
RECEIVED: 2004 23,166 tons (through 4/30/04)

H. PERCENT OF ANNUAL
REQUIREMENTS: 2004 100%

I. BASE PRICE: (FOB Barge) 2004 132.29 cents per MMBtu

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: 132.29 cents per MMBtu

A. NAME/ADDRESS: Marmet Synfuel, LLC as agent for Imperial
Synfuel, LLC / KUF04959
Main & River Streets
Ceredo, West Virginia 25507

B. PRODUCTION FACILITY:
OPERATOR: Kanawha River Terminals, Inc.
PLANT: Marmet Plant
LOCATION: Kanawha County, WV

C. CONTRACT EXECUTED DATE:

D. CONTRACT DURATION: January 1, 2004 - December 31, 2004

E. CONTRACT AMENDMENTS: Contract tonnage assigned from Progress
Fuels Corp. – Contract KUF04966.

F. ANNUAL TONNAGE
REQUIREMENTS: As Available

G. ACTUAL TONNAGE:
RECEIVED: 2004 11,031 tons (through 4/30/04)

H. PERCENT OF ANNUAL
REQUIREMENTS: 2004 100%

I. BASE PRICE: (FOB Barge) 2004 132.29 cents per MMBtu

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: 132.29 cents per MMBtu

A. NAME/ADDRESS: Marmet Synfuel, LLC as agent for Calla
Synfuel, LLC / KUF04960
Main & River Streets
Ceredo, West Virginia 25507

B. PRODUCTION FACILITY:
OPERATOR: Kanawha River Terminals, Inc.
PLANT: Marmet Plant
LOCATION: Kanawha County, WV

C. CONTRACT EXECUTED DATE:

D. CONTRACT DURATION: January 1, 2004 - December 31, 2004

E. CONTRACT AMENDMENTS: Contract tonnage assigned from Progress
Fuels Corp. – Contract KUF04966.

F. ANNUAL TONNAGE
REQUIREMENTS: As Available

G. ACTUAL TONNAGE:
RECEIVED: 2004 1,570 tons (through 4/30/04)

H. PERCENT OF ANNUAL
REQUIREMENTS: 2004 100%

I. BASE PRICE: (FOB Barge) 2004 132.29 cents per MMBtu

J. ESCALATIONS TO DATE: None

K. CURRENT CONTRACT PRICE: 132.29 cents per MMBtu

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix A of
Commission's Order Dated June 23, 2004**

Case No. 2004-00213

Question No. 7

Witness: Mike Dotson

- Q-7. a. Does KU regularly compare the price of its coal purchases with those paid by other electric utilities?
- b. If yes, state:
- (1) How KU's prices compare with those of other utilities for the review period.
 - (2) The utilities that are included in this comparison and their location.

- A-7. a. Yes
- b. Please see attached sheet.

**RESPONSE TO PSC ORDER
DATED: JUNE 23, 2004
PSC CASE NO. 2004-00213**

UTILITY	MAR 03	FEB 04	PLANT LOCATIONS
	¢/MMBTU		
Ameren Energy Resources	149.96		Illinois
AmerenEnergy Generating Co.	111.32		Illinois
Appalachian Power Co.	131.74		Virginia, West Virginia
Cardinal Operating Co.	136.81		Ohio
Cincinnati Gas & Electric Co.	115.79		Kentucky, Ohio
Columbus Southern Power Co.	130.33		Ohio
Dayton Power & Light Co.	127.17		Ohio
East Kentucky Power Coop, Inc.	139.53		Kentucky
Electric Energy, Inc.	95.66		Illinois
Hoosier Energy Rural Electric Coop, Inc.	104.47		Indiana
Indiana Michigan Power Co.	125.51		Indiana
Indiana-Kentucky Electric Corp.	129.97		Indiana
Indianapolis Power & Light Co.	101.24		Indiana
Kentucky Power Co.	118.99		Kentucky
Kentucky Utilities Co.	146.98		Kentucky
Louisville Gas & Electric Co.	113.02		Kentucky
Monongahela Power Co.	121.65		West Virginia
Northern Indiana Public Service Co.	124.30		Indiana
Ohio Power Co.	118.93		Ohio, West Virginia
Ohio Valley Electric Corp.	115.15		Ohio
Owensboro Municipal Utilities	93.96		Kentucky
PSI Energy, Inc.	122.15		Indiana
Southern Indiana Gas & Electric Co.	108.92		Indiana
Tennessee Valley Authority	124.13		Alabama, Kentucky, Tennessee

KENTUCKY UTILITIES RANKED 23TH LOWEST FOR THE 12-MONTH PERIOD

KU's ranking is among the highest of the companies in the comparison group primarily due to the cost of the compliance coal KU purchases.

Over eighty percent of KU's coal purchases is Eastern Compliance low sulfur coal. By contrast, several of the utilities in the comparison group are able to utilize greater amounts of lower cost compliance coal from the Powder River Basin (PRB) than is KU. KU's ability to utilize PRB coal is limited due to operational constraints at its generating facilities.

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix A of
Commission's Order Dated June 23, 2004**

Case No. 2004-00213

Question No. 8

Witness: Mike Dotson

Q-8. What percentage of KU's coal, as of the date of this Order, is delivered by:

- a. rail?
- b. truck?
- c. barge?

- A-8. a. rail – 19.5%
- b. truck – 8.1%
- c. barge – 72.4%

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix A of
Commission's Order Dated June 23, 2004**

Case No. 2004-00213

Question No. 9

Witness: Mike Dotson

- Q-9. a. State KU's coal inventory level in tons and in number of days' supply as of April 30, 2004.
- b. Describe the criteria used to determine number of days' supply.
- c. Compare KU's coal inventory as of April 30, 2004 to its inventory target for that date.
- d. If actual coal inventory exceeds inventory target by 10 days' supply, state the reasons for excessive inventory.
- e. (1) Does KU expect any significant changes in its current coal inventory target within the next 12 months?
- (2) If yes, state the expected change and the reasons for this change.

A-9. a. Actual coal inventory level in tons and in number of days' supply as of May 1, 2004 – 1,106,583 Tons / 55 Days.

b. PSC Formula:

$$\text{Days Burn} = \frac{\text{Current inventory tons}}{\text{Preceding 12 months burn (tons)}} \times 365 \text{ Days}$$

- c. Target 50 Days.
- d. Not applicable.
- e. No.

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix A of
Commission's Order Dated June 23, 2004**

Case No. 2004-00213

Question No. 10

Witness: Mike Dotson

Q-10. a. Has KU audited any of its coal contracts during the period from November 1, 2003 through April 30, 2004?

b. If yes, for each audited contract:

(1) Identify the contract.

(2) Identify the auditor.

(3) State the results of the audit.

(4) Describe the actions that KU took as a result of the audit.

A-10. a. No. KU has not conducted any financial audits of coal companies. KU's current contracts are fixed price contracts and are not subject to price escalations that would require recurring audits. KU's Mining Engineer does conduct scheduled on-site reviews and inspections of the mining operations and sampling systems of each vendor up to twice a year. KU's Manager Fuels - Fuels Operations visits coal vendors on an unscheduled basis each quarter or more if needed. Additionally, KU employees may visit a vendor as needed to address problems and issues at any time.

b. Not applicable.

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix A of
Commission's Order Dated June 23, 2004**

Case No. 2004-00213

Question No. 11

Witness: Robert M. Conroy

- Q-11. a. Has KU received any customer complaints regarding its fuel adjustment clause during the period from November 1, 2003 through April 30, 2004?
- b. If yes, for each complaint, state:
- (1) The nature of the complaint.
 - (2) KU's response.
- A-11. a. No.
- b. Not applicable.

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix A of
Commission's Order Dated June 23, 2004**

Case No. 2004-00213

Question No. 12

Witness: Mike Dotson / Counsel

- Q-12. a. Is KU currently involved in any litigation with its current or former coal suppliers?
- b. If yes, for each litigation:
- (1) Identify the coal supplier.
 - (2) Identify the coal contract involved.
 - (3) State the potential liability or recovery to KU.
 - (4) List the issues presented.
 - (5) Provide a copy of the complaint or other legal pleading that initiated the litigation. If a copy has previously been filed with the Commission, provide the date on which it was filed.
- c. State the current status of all litigation with coal suppliers.

A-12. a. Yes.

Coal Supply Agreement KUF-00755

- b. (1) KU filed an Amended and Restated Complaint against AEI Sales Company, Inc., as seller, and AEI Holding Company, Inc., as guarantor, on June 25, 2002.
- (2) Coal Supply Agreement KUF-00755 dated April 21, 2000, as amended by Amendment No. One dated as of June 11, 2000.
- (3) KU seeks to recover cover, incidental, consequential and punitive damages for under deliveries occurring during 2000 through 2002.

- (4) KU claims that (i) AEI breached the contract by failing to deliver the required quantity of coal without contractual justification; (ii) AEI's failure to provide assurance of delivery when requested constitutes an anticipatory repudiation of the contract; and (iii) AEI committed fraud against KU by misleading KU into relying on false representations, while AEI diverted KU's coal to KU competitors.
 - (5) A copy of the complaint was filed with the Commission as part of the hearing in Case No. 2002-00224 and a copy of the proof of claim was filed with the Commission as part of the hearing in Case No. 2003-00213 and Case No. 2003-00455.
- c. In the action styled "Kentucky Utilities Company v. AEI Coal Sales Company, Inc., and AEI Holding Company, Inc., the complaint has been filed. The current action is under stay due to Horizon Natural Resources successor of AEI Coal Sales Company, Inc., and AEI Holding Company, Inc., Chapter 11 filing in U. S. Bankruptcy Court. To preserve its claims, KU filed proofs of claim in those bankruptcies on June 11, 2003 with respect to Case No. 02-14290 and Case No. 02-014268 in the United States Bankruptcy Court of the Eastern District of Kentucky.

Coal Supply Agreement KUF-03911

- b. (1) Coal Network, Inc./Cook & Sons Mining: Cook & Sons Mining filed for Chapter 11 bankruptcy protection on August 25, 2003, KU filed a Proof of Claim on January 16, 2004.
- (2) Coal Supply Agreement KUF-03911 dated December 30, 2002.
- (3) KU seeks to recover cover damages sustained by KU arising from the rejection of the Contract.
- (4) The Contract was rejected by the Debtor pursuant to Motion to Reject Certain Executory Contracts made on October 23, 2003, which was granted by Court Order dated November 17, 2003.
- (5) A copy of the Proof of Claim filed in the United States Bankruptcy Court in the Eastern District of Kentucky is attached.
- c. There has been no change in the litigation status.

Coal Purchase Order KUF-03975

- b (1) Cook & Sons Mining.
 - (2) Coal Purchase Order KUF-03975 dated October 2, 2003, entered into post bankruptcy petition.
 - (3) KU seeks to recover cover damages sustained by KU arising from the non-delivery of 27,699 tons of coal.
 - (4) KU claimed that the Debtor failed to make delivery of 27,699 tons of coal provided by the Purchase Order and thereby breached the Purchase Order.
 - (5) A copy of the Amended Application for Allowance and Payment of Administrative Expenses filed in the United States Bankruptcy Court in the Eastern District of Kentucky is attached.
- c. An Agreed Order issued by United States Bankruptcy Court in the Eastern District of Kentucky is attached.

FORM B10 (Official Form 10)(4/01)

UNITED STATES BANKRUPTCY COURT EASTERN DISTRICT OF KENTUCKY		PROOF OF CLAIM EASTERN DISTRICT OF KENTUCKY FILED AT _____ O'CLOCK & _____ MIN _____ M JAN 16 2004 AT LEXINGTON U.S. BANKRUPTCY COURT
Name of Debtor COOK AND SONS MINING, INC.		Case Number 03-70789
NOTE: This form should not be used to make a claim for an administrative expense arising after the commencement of the case. A "request" for payment of an administrative expense may be filed pursuant to 11 U.S.C. § 503.		
Name of Creditor (The person or other entity to whom the debtor owes money or property): KENTUCKY UTILITIES COMPANY		<input type="checkbox"/> Check box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars. <input type="checkbox"/> Check box if you have never received any notices from the bankruptcy court in this case. <input type="checkbox"/> Check box if the address differs from the address on the envelope sent to you by the court.
Name and address where notices should be sent: KENTUCKY UTILITIES COMPANY 220 WEST MAIN STREET LOUISVILLE, KENTUCKY 40202 ATTENTION: TIMOTHY DOWDY		
Telephone number: (502) 627-3021		THIS SPACE IS FOR COURT USE ONLY
Account or other number by which creditor identifies debtor:		Check here <input type="checkbox"/> replaces a previously filed claim, dated: <input type="checkbox"/> amends
1. Basis for Claim <input type="checkbox"/> Goods sold <input type="checkbox"/> Services performed <input type="checkbox"/> Money loaned <input type="checkbox"/> Personal injury/wrongful death <input type="checkbox"/> Taxes <input checked="" type="checkbox"/> Other Cover Damages- See Attached Addendum.		<input type="checkbox"/> Retiree benefits as defined in 11 U.S.C. § 1114(a) <input type="checkbox"/> Wages, salaries, and compensation (fill out below) Your SS #: - - - Unpaid compensation for services performed From _____ to _____ (date) (date)
2. Date debt was incurred: 08/25/03		3. If court judgment, date obtained:
4. Total Amount of Claim at Time Case Filed: \$3,270,921.00 If all or part of your claim is secured or entitled to priority, also complete Item 5 or 6 below. <input type="checkbox"/> Check this box if claim includes interest or other charges in addition to the principal amount of the claim. Attach itemized statement of all interest or additional charges.		
5. Secured Claim. <input type="checkbox"/> Check this box if your claim is secured by collateral (including a right of setoff). Brief Description of Collateral: <input type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other Value of Collateral: Amount of arrearage and other charges at time case filed included in secured claim, if any: \$		6. Unsecured Priority Claim. <input type="checkbox"/> Check this box if you have an unsecured priority claim Amount entitled to priority \$ Specify the priority of the claim: <input type="checkbox"/> Wages, salaries, or commissions (up to \$4,650)* earned within 90 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier-11 U.S.C. § 507(a)(3) <input type="checkbox"/> Contributions to an employee benefit plan-11 U.S.C. § 507(a)(4). <input type="checkbox"/> Up to \$2,100* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use-11 U.S.C. § 507(a)(6) <input type="checkbox"/> Alimony, maintenance, or support owed to a spouse, former spouse, or child-11 U.S.C. § 507(a)(7). <input type="checkbox"/> Taxes or penalties owed to governmental units -11 U.S.C. § 507(a)(8) <input type="checkbox"/> Other-Specify applicable paragraph of 11 U.S.C. § 507(a)() <small>*Amounts are subject to adjustment on 4/1/04 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.</small>
7. Credits: The amount of all payments on this claim has been credited and deducted for the purpose of making this proof of claim.		THIS SPACE IS FOR COURT USE ONLY
8. Supporting Documents: Attach copies of supporting documents, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, court judgments, mortgages, security agreements, and evidence of perfection of lien. DO NOT SEND ORIGINAL DOCUMENTS. If the documents are not available, explain. If the documents are voluminous, attach a summary.		
9. Date-Stamped Copy: To receive an acknowledgement of the filing of your claim, enclose a stamped, self-addressed envelope and copy of this proof of claim.		
Date 01/16/04	Sign and print the name and title, if any, of the creditor or other person authorized to file this claim (attach copy of power of attorney, if any): <i>[Signature]</i> Attorney for Kentucky Utilities Company	
Penalty for presenting fraudulent claim: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571		

ADDENDUM TO
KENTUCKY UTILITIES COMPANY'S PROOF OF CLAIM
IN THE BANKRUPTCY OF COOK & SONS MINING, INC.,
CASE NUMBER 03-70789

This Exhibit is a part of and is incorporated in the Proof of Claim filed on behalf of Kentucky Utilities Company ("KU") in the Bankruptcy Case of Cook and Sons, Inc. (the "Debtor") which is pending in the United States Bankruptcy Court for the Eastern District of Kentucky, Case Number 03-70789.

1. NATURE OF CLAIMS

KU is a provider of electricity in the Commonwealth of Kentucky. The Debtor delivered to KU a Producers Certificate pursuant a Coal Supply Agreement, dated December 30, 2002 (the "Contract"), a copy of which is attached hereto as Exhibit B and incorporated herein by this reference. The Contract required the Debtor to deliver coal to KU at a set price per ton with certain MMBTU guaranties. The Contract was rejected by the Debtor pursuant to Motion to Reject Certain Executory Contracts made on October 23, 2003, which was granted by Court Order dated November 17, 2003.

Below is a Calculation of the Damages sustained by KU arising from the rejection of the Contract.

**2. CALCULATION OF COVER DAMAGES ARISING FROM
 REJECTED CONTRACT (ESTIMATED) FOR THE YEARS 2003 & 2004**

Year	Deficit Tonnage	Vendor(2) Delivered Cents/MMBTU	Replacement Coal(3) Cents/MMBTU	Add. Cost for Cover Cents/MMBTU	Guar. BTU	Per Ton Cost of Cover	\$ Cost of Cover
2003	200,023(1)	137.27	162.46	25.19	13,000	\$6.55	\$1,318,269
2004	324,000(1)	139.19	162.46	23.27	13,000	\$6.05	\$1,968,651
Total Claim							\$3,270,921

Notes as to Calculation

- Contract calls for 324,000 tons per year, for 2003 cook & Sons shipped 123,977 tons, balance due $(324,000 - 123,977) = 200,023$
- Cook & Sons delivered price base on 13,000 btu coal
 2003 \$28.80 per ton fob railcar + \$6.89 rail = delivered per ton of \$35.69 or 137.27 cents/MMBTU
 2004 \$29.30 per ton fob railcar + \$6.89 rail = delivered per ton of \$36.19 or 139.19 cents/MMBTU

3. Replacement cost based on
 Additional Coal Purchases

Vendor/Name	Contract Term	Tons	Delivered Cents/MMBTU	Notes
Cook & Sons (KUF-03975)	11/03/03-1/31/04	81,000	163.04	\$35.50/fob railcar + \$6.89 rail = \$42.39 @ 13,000 BTU = 163.04 cents/MMBTU
Consol Energy (KUF-0376)	10/15/03-1/31/04	75,000	162.16	\$42.00 delivered at 12,950 btu = 162.16 cents/MMBTU
American Mining (KUF-03973)	10/01/03-3/31/04	120,000	164.58	\$39.50 delivered at 12,000 btu = 164.58 cents/MMBTU
Possible Contract Pending	4/01/04-03/31/05	90,000	159.38	\$38.25 delivered at 12,000 btu = 159.38 cents/MMBTU
Total		366,000		
Average Price			162.46	
Total Cook & Sons deficit		524,023		
Balance of tonnage needed		158,023		
Assume that the balance tonnage can be purchased at the above average of				\$162.46 Cents/MMBTU

By filing the Proof of Claim to which this Addendum is attached, KU does not waive (and expressly retains) the right to pursue the right to adequate protection or other remedies with respect to the potential offset rights from any person or entity liable with respect thereto.

**UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF KENTUCKY
PIKEVILLE DIVISION**

In re;) Chapter 11
)
COOK & SONS MINING, INC., et al.,) Case No. 03-70789
)
Debtor)

AMENDED
APPLICATION FOR ALLOWANCE AND PAYMENT
OF ADMINISTRATIVE EXPENSE

Kentucky Utilities Company ("Claimant"), by counsel pursuant to 11 USC § 503, hereby applies for the allowance and payment of an administrative expense. In support of its application, Claimant states as follows:

1. This case was initiated by the filing of a Petition on August 25, 2003.
2. On or about October 2, 2003, Claimant issued a Purchase Order No. KUF-03975 (the "Purchase Order") accepted by the Debtor, providing for the delivery of 81,000 tons of coal at a price of \$35.50 per ton for delivery between November 1, 2003 and January 31, 2004. A copy of the Purchase Order is attached hereto as Exhibit A.
3. The Debtor failed to make delivery of 27,699 tons coal provided by the Purchase Order and thereby breached the Purchase Order.
4. Claimant's total additional cost to cover the amounts the Debtor failed to deliver under the Purchase Order is \$428,504 as evidenced on the attached Exhibit B.

5. Claimant is entitled to the allowance and payment of an administrative expense in this amount pursuant to 11 USC § 503(b)(1)(a) as such claim constitutes an actual, necessary cost and expense of preserving the estate.

WHEREFORE, Claimant respectfully requests to grant the relief requested herein by entry of the Order tendered herewith.

Respectfully submitted,

/s/Mark A. Robinson
Mark A. Robinson
VALENTI, HANLEY & CROOKS, PLLC
1950 One Riverfront Plaza
401 West Main Street
Louisville, Kentucky 40202
(502) 568-2100
mar@vhelaw.com

AMENDED NOTICE

The foregoing Amended Application shall come before the Court for a hearing on Monday, May 24, 2004 at 9:30 a.m. in the Second Floor Courtroom, 100 East Vine Street, Lexington, Kentucky.

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the foregoing was served electronically through the CM/ECF system upon those parties registered to receive such notice and service the following listed below by regular mail this 14th day of May, 2004.

James D. Asher
112 E. Main Street
Whitesburg, Kentucky 41858

Daniel A. Austin
625 Liberty Avenue, 23rd Fl.
Pittsburgh, PA 15222

Robert T. Copeland
212 W. Valley Street
P. O. Box 1296
Abingdon, VA 24212

Mack Commercial Finance
c/o Catherine Tucker
P. O. Box 26131
Greensboro, NC 27402

Ronald G. Polly
P. O. Box 786
Whitesburg, Kentucky 41858

Calvin R. Tackett
40 Main Street
Whitesburg, Kentucky 41858

Richard B. Warne
250 W. Main Street, Suite 1600
Lexington, Kentucky 40507

/s/Mark A. Robinson
Mark A. Robinson



LG&E Energy Corp.
220 West Main Street
PO Box 32030
Louisville, KY 40232

Buyer: Kentucky Utilities Company
220 West Main Street
P.O. Box 32010
Louisville, Kentucky 40232-2010
Attn: Mike Dotson
Phone: 502-627-2322
Fax: 502-627-3243

Seller: Cook & Sons Mining, Inc.
147 Big Blue Boulevard
Whitesburg, Kentucky 41858
Attn: Michael K. Cook - President
Phone: 606-633-0175
Fax: 606-633-0746

Purchase Order Number: KUP-03975

Date: October 2, 2003

Shipping Destination: E.W. Brown Station

Commodity: Crushed, bituminous coal substantially free from any extraneous material, with no intermediate sizes to be added or removed and otherwise meeting the specifications of this Purchase Order.

Source: Various mines and facilities in Letcher County, Ky.:
Polly Surface Mine, Montgomery Surface Mine, Smoot Creek Surface Mine, Buck Creek Surface Mine, Sandlick Deep Mine, Premium Deep Mine, Spring Branch Deep Mine, UZ Elkhorn No.3 Deep Mine, Pine Creek Deep Mine, UZ Amburgy, Clay Hollow, Sapphire Plant.

District: #008

Seams: #4 Ryder, Whitesburg, Elkhorn #3, Amburgy, Hazard #4, #4 Ryder, #5A #7, #8, #9

Seller represents and warrants that the Source is sufficient to supply the quantity and quality of coal required hereunder.

Base Price: Price: \$1.36538 per MMBTU (\$35.50 per net ton at 13,000 BTU/lb.) FOB railcar, Sapphire Loadout (FSAC #42918), near Deane, Kentucky, on the CSXT railroad.

Price will remain firm during the Term hereof. There are currently no Quality Price Discounts for variations in quality under this Agreement. However, since the price is on a MMBTU basis, the price does vary based on variations in BTUs without the application of any Quality Price Discounts.

Quantity: The total quantity of coal supplied will be 81,000 tons. Deliveries will be ratable on a monthly basis during the term of this Agreement.

Term: November 1, 2003 through January 31, 2004



Transportation/Delivery:

Shipments:

Coal is to be shipped in unit train lots of 9,000 ton minimum (each shipment by such unit train is herein called a "Shipment"). Shipments will be scheduled by Buyer with the Buyer's rail carrier. Buyer or its contractor shall furnish suitable railcars in accordance with a delivery schedule provided by Buyer to Seller. Seller shall be responsible for and pay the cost of repairs for any damages caused by Seller to railcars owned or leased by Buyer while such railcars are in Seller's control or custody. Seller shall comply with the applicable provisions of Buyer's rail tariff. Buyer shall arrange for transporting the coal by train from the rail loading facility to its generating station(s) and shall pay for the cost of such transportation. For delays caused by Seller in handling the scheduling of shipments with rail carrier, Seller shall be responsible for any demurrage or other penalties assessed by said railroad (or assessed by Buyer) which accrue at the Delivery Point.

Delivery Point:

F.O.B. railcar at the following point ("Delivery Point"): Sapphire Loadout (FSAC #42918), near Dcane, Kentucky, on the CSXT railroad.

Freeze Conditioning:

At Buyer's request, Seller shall treat (or have treated) any shipment of coal hereunder with a freeze conditioning agent approved by Buyer in order to maintain coal handling characteristics during shipment. The price for such requested chemical treatment shall be an amount equal to Seller's cost of materials applied on a per gallon basis for each application of freeze conditioning agent. Seller shall invoice Buyer for all such treatments within 10 days following the delivery of the last Shipment of the month. Buyer will pay for such costs 15 days following the delivery of the last Shipment of the month and receipt of Seller's invoice.

Shipment Notices:

Seller shall provide train waybills (showing railcar numbers and weights as coal is loaded for each Shipment hereunder) to Buyer's Fuels Management Department in Louisville, KY (telephone No. 502-627-2318 or fax No. 502-627-3243

Rail Carrier:

CSX Transportation

Quality Specifications:

The coal shipped hereunder shall be of uniform quality and shall conform (calculated on a monthly average basis) to the specifications set forth below under the heading of Guaranteed Monthly Quality Specifications (the "Guaranteed Monthly Quality Specifications"):

Guaranteed Monthly Quality Specifications (As Received Basis)	Individual Shipment Rejection Limits	Monthly Discount Points	Monthly Discount Values	Individual Shipment Discount Values
Moisture 5.38 lbs./MmBtu / 7.00 %	6.92 lbs./MmBtu or more	-	-	-
Ash 6.15 lbs./MmBtu / 8.00 %	7.69 lbs./MmBtu or more	-	-	-
BTU 13,000 Min.	12,600 BTUs or less	-	-	-
Sulfur - Max 1.375 Lbs.	1.50 Lbs.	-	-	-
Sulfur - Min 0.90 Lbs.	0.85 Lbs.	-	-	-
SO ₂ * 2.75 lbs. per MMBtu Max.	More than 3.00 lbs./ MmBtu	-	-	-
Sizing 2" x 0"				
Fines 50 %				
Volatile 35.00% Min.				
Ash Fusion (H-W Reducing) 2200°F Min.				
Fixed Carbon 47.00% Min				
Grindability 49 Min.				

*For purposes of this Purchase Order, SO₂ shall be calculated as follows:

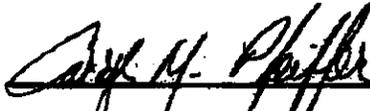
$$SO_2 = \frac{20,000}{\text{BTU per pound}} \times \text{Percent Sulfur}$$

The Seller has sole responsibility for quality control of the coal sold hereunder. Each Shipment of coal to be shipped hereunder

shall also be of uniform quality. All coal will be sampled and analyzed by Seller prior to shipment to determine loading quality. Seller shall, upon Buyer's request, provide the results of such sampling and analysis to the recipients designated by Buyer and in the format specified by Buyer within 24 hours after Shipment is loaded. Coal Shipments not conforming (i.e. exceeding any maximums or falling below any minimums) with one or more Rejection Limits set forth above (the "Rejection Limits") shall be considered an Event of Default and may result in suspension or rejection as provided herein and/or may result in the exercise of other legal and equitable remedies at KU's option.

In the event of a conflict between the terms and conditions contained in this document and those contained in any exhibits or attachments attached hereto the terms and conditions contained in this document shall govern.

BUYER
KENTUCKY UTILITIES COMPANY



Director - Fuels Management and By-Products
Date: 10/27/03 TWB

SELLER
Cook & Sons Mining, Inc.



Name: M. L. Cook
Title: Pres.
Date: 10-20-03

**KENTUCKY UTILITIES COMPANY
FUEL PURCHASE ORDER TERMS AND CONDITIONS**

COOK & SONS MINING, INC.

P.O. # KUF-03975

1. SCHEDULING & DELIVERY

Buyer shall advise Seller on or before the 23rd day of the month preceding scheduled Shipments of the loading dates and delivery schedule, and Seller shall advise Buyer on or before the 25th day of the month preceding scheduled Shipments of the source of the scheduled Shipments if more than one or none is specified in the Purchase Order. Unless otherwise specified in the Purchase Order, Buyer shall designate to Seller the scheduling, routing and method of Shipments of coal purchased under this Purchase Order. Seller shall cause coal sold hereunder to be properly loaded into the transport vehicle (i.e. railcars, barges, vessels, trucks, etc.) for delivery to Buyer, provided that Buyer has provided Seller with applicable loading instructions (including minimum and maximum weights) no less than 24 hours prior to the arrival of Buyer's transport vehicle and said instructions comply with industry standards. The delivery schedule specified in the Purchase Order or as designated by Buyer in absence of such in the Purchase Order is binding on both Buyer and Seller and may only be changed by mutual agreement followed by a mutual written agreement between the parties.

2. TITLE AND RISK OF LOSS; WARRANTY

Title to and risk of loss of coal conforming to this Purchase Order shall pass to Buyer as follows:

- a) For barge deliveries, as the loaded barges are pulled from the Delivery Point.
- b) For rail deliveries, upon completion of loading all railcars in each unit train and as such unit train is pulled from the Delivery Point.
- c) For truck deliveries, upon the coal being delivered and dumped at the Delivery Point.
- d) For all Non-Conforming Shipments (as hereinafter defined) title to and risk of loss of coal shall revert back to Seller immediately upon any rejection or non-acceptance by Buyer as provided elsewhere in this Purchase Order.

Seller and Buyer shall each indemnify, defend, and save harmless the other party, its affiliates and their respective officers, directors, agents, representatives and employees from and against any liabilities, losses, claim, damages, penalties, causes of action, or suits (collectively "Claims") arising out of, in connection with or related to the ownership, operation, storage, processing, handling and transportation of the coal by the indemnifying party during the Applicable Period. For purposes of this paragraph, "Applicable Period" shall mean (i) with respect to the Seller, the period of time prior to title to and risk of loss of passing to Buyer hereunder, and (ii) with respect to the Buyer, the period of time from and after title to and risk of loss of the coal passing to Buyer hereunder.

Seller represents and warrants that it has title to, and the right to sell, all coal sold hereunder and the same is shipped free and clear of all liens, encumbrances, and claims of all third parties.

3. WEIGHTS

Weights of coal delivered by rail shall be determined by Seller on a per Shipment basis by use of a scale system located at the Delivery Point and certified no less frequently than every six months by an appropriate testing agency in accordance with the guidelines established by NIST. If there is no certified scale system at the Delivery Point, railway weights shall govern all settlements hereunder with respect to rail deliveries.

4. SAMPLING AND ANALYSIS

Buyer shall perform all sampling and analysis at its expense and the results of Buyer's testing shall be accepted and used for the quality and characteristics of the coal delivered under this Purchase Order. Seller may observe the unloading, sampling, sample preparation and analysis hereunder. Buyer's sampling and analysis practices for coal delivered under this Purchase Order shall be performed in substantial compliance with ASTM standards where applicable or mutually agreed methods.

Each coal sample collected by the Buyer shall be properly divided into at least four sub-samples. One part shall be used by Buyer as a check sample, if Buyer in its sole judgment determines it is necessary; one part shall be retained by Buyer until thirty (30) days ("Disposal Date") after the sample is taken, and shall be delivered to Seller for analysis if Seller so requests before the Disposal Date. One part ("Referee Sample") shall be retained by Buyer until the Disposal Date. Seller shall be given copies of all analyses made by Buyer by the 12th business day of the month following the month of unloading. In addition, Buyer will send weekly analyses of coal shipments to Seller. Unless Seller requests a Referee Sample analysis before the Disposal Date, Buyer's analysis shall be used to determine the quality of the coal delivered hereunder. The Monthly Weighted

Averages shall be determined by utilizing the individual shipment analyses.

If any dispute arises before the Disposal Date, the Reference Sample retained by Buyer shall be submitted for analysis to an independent commercial testing laboratory ("Independent Lab") mutually chosen by Buyer and Seller. All testing of any such sample by the Independent Lab shall be at requestor's expense unless the results differ by more than the applicable ASTM reproducibility standards. If the Independent Lab results differ from Buyer's analysis by more than the applicable ASTM reproducibility standards, the Independent Lab results will govern.

5. QUALITY PRICE DISCOUNT

(A) The Base Price is based on the coal delivered hereunder meeting or exceeding (i.e. greater than or equal to any minimums and less than or equal to any maximums) the Guaranteed Monthly Quality Specifications. If, during any particular calendar month, the Actual Monthly Quality (as defined below) does not meet or exceed one or more of the Guaranteed Monthly Quality Specifications, then, to the extent provided in the Purchase Order, the Base Price shall be reduced with respect to each such non-conforming specification. The amount of the Base Price discount for each non-conforming specification, if any, is determined by using the corresponding Monthly Discount Value or Individual Shipment Discount Value with respect to each such non-conforming specification, and is calculated in the manner set forth on Exhibit A attached hereto and made a part hereof. For purposes of this Purchase Order, the "Actual Monthly Quality" shall mean the weighted average quality of all coal (on an as received basis during any particular calendar month) delivered and accepted by Buyer hereunder (but not including any coal rejected pursuant to Paragraph (B) below) determined in accordance with the terms and conditions hereof.

Notwithstanding the foregoing, for each specification, there shall be no discount if the Actual Monthly Quality meets or triggers the applicable Discount Point set forth in the Quality Specifications section above. However, if the Actual Monthly Quality fails to meet such applicable Discount Point, then the discount shall apply to and shall be calculated as provided in the immediately preceding paragraph.

(B) If any Shipment of coal triggers any of the Rejection Limits specified herein (a "Non-Conforming Shipment"), Buyer shall have the option, exercisable by notice to Seller of either (i) rejecting such Non-Conforming Shipment at the Delivery Point or en-route, but prior to unloading from Transporter's equipment or (ii) accepting any Non-Conforming Shipment with a mutually agreeable price reduction. Should Buyer exercise such right of rejection, it shall notify Seller by E-mail or verbally upon discovery of the Non-Conforming Shipment, such notification to be promptly confirmed in writing. If Buyer fails timely to exercise its rejection rights hereunder as to a Non-Conforming Shipment, Buyer shall be deemed to have waived such rights with respect to that Non-Conforming Shipment only. If Buyer timely rejects the Non-Conforming Shipment, Seller shall be responsible for promptly transporting the rejected coal to an alternative destination determined by Seller and, if applicable, promptly unloading such coal, and shall reimburse Buyer for all reasonable costs and expenses associated with the transportation, storage, handling and removal of the Non-Conforming Shipment. Seller shall, at Buyer's request replace the rejected coal as soon as possible, provided that Buyer gives written notice to Seller of Buyer's desire for replacement coal within 10 days after rejection of the Non-Conforming Shipment.

(C) If there are three Non-Conforming Shipments, whether rejected or not, under this Purchase Order in any three-month period or if two out of four consecutive Shipments under this Purchase Order are Non-Conforming Shipments, then an Event of Default has occurred, and Buyer may upon notice to Seller suspend the receipt of future Shipments (except Shipments already loaded or in transit to Buyer) under this Purchase Order. A waiver by Buyer of the suspension right for any one period shall not constitute a waiver for subsequent periods.

6. INVOICING AND PAYMENT

(A) Exhibit A attached hereto shows the methodology for calculating the coal payment and quality price adjustments for the month Seller's coal is unloaded by Buyer.

(B) Seller shall invoice Buyer at the Base Price, minus any quality price adjustments if applicable, for all coal unloaded by Buyer in a calendar month within 10 days of delivery of the final Shipment of the month.

(C) For all coal delivered pursuant to this Purchase Order, Buyer shall make a preliminary payment of ninety percent (90%) of the amount owed for the coal (based on the assumption that the coal will meet all guaranteed monthly quality parameters) 10 days after receipt of Shipment by Buyer. The amount due for all coal (based on the Base Price minus any Quality Price Discounts) delivered and unloaded and accepted by Buyer during any calendar month shall be calculated and compared to the sum of the preliminary payments made for coal delivered and unloaded and accepted during such month. The difference shall be paid by Seller or paid to Seller, as applicable, 15 days after receipt of the final Shipment during the month of

be made on the next regular work day. All preliminary payments shall be calculated based on the then-current price on a dollar per ton basis as calculated based on the guaranteed monthly weighted average BTU/lb. and the then-current Base Price in cents per MMBTU.

- (D) A reconciliation of amounts paid and amounts owed shall occur 5 days following the delivery of the last Shipment during the month (For example, the preliminary payment for a Shipment delivered to Buyer on October 5, 2003 will be made on October 15, 2003. If the final Shipment for the month is delivered to Buyer on October 25, 2003, Buyer will make a preliminary payment to Seller on November 4, 2003. Final payment for all deliveries made during October will be made on November 9, 2003.) The reconciliation shall be made as follows: Seller shall invoice Buyer within 10 days following the delivery of the last Shipment of the month. The amount due for all coal (based on the Base Price minus any Quality Price Discounts) delivered and unloaded and accepted by Buyer during any calendar month shall be calculated and compared to the sum of the preliminary payments made for coal delivered and unloaded and accepted during such month. Buyer shall electronically transfer funds as requested by Seller to Seller's account at:

UNITED COAL COMPANY

Bank Name: Citizens Bank - Elizabethton, TN

ABA #: 064207946

Account #: 700000083

This order is not subject to Kentucky Sales Tax.

If any party in good faith reasonably disputes an invoice, it shall provide a written explanation specifying in detail the basis for the dispute and pay any undisputed portion no later than the due date. Notwithstanding anything herein to the contrary, non-payment of disputed portions, so long as such amounts remain disputed in good faith, shall not constitute an Event of Default hereunder.

7. ASSIGNMENT/DELEGATION

This Purchase Order shall inure to the benefit of and be binding upon the parties and their respective successors and permitted assigns. However, no Party shall assign this Purchase Order or any of its rights or obligations hereunder without the prior written consent of the other party. Notwithstanding the foregoing, any party may, without the need for consent from the other party (and without relieving itself from liability hereunder), (a) transfer, sell, pledge, encumber or assign this Purchase Order or the accounts, revenues or proceeds hereof or thereof in connection with any financing or other financial arrangements or (b) transfer or assign this Purchase Order to an affiliate of such party; provided, however, that no such assignment shall in any way relieve the assignor from liability for full performance under this Purchase Order. Any such assignee shall assume and agree to be bound by the terms and conditions of this Purchase Order.

Written consent to one or more assignments shall not be construed as waiving the necessity of obtaining written consent to other and/or additional assignments.

8. FORCE MAJEURE

No party shall be subject to liability to the other party for the failure to perform in conformity with this Purchase Order where such failure results from a Force Majeure. A party affected by Force Majeure shall notify the other party in writing within 24 hours of the existence of such Force Majeure condition, and shall provide to the other party a written confirmation of such Force Majeure condition, and its expected effect on deliveries and expected duration within 3 days following such initial notification. The party affected by the Force Majeure shall remedy the Force Majeure with all reasonable dispatch. In the event of a Force Majeure, delivery of the affected quantity of coal shall be made up in full or in part only at the discretion of the Party not claiming Force Majeure. If an event of Force Majeure persists for a continuous period of at least 60 days, then the party not claiming Force Majeure shall have the option, upon three days' prior written notice, to terminate this Purchase Order and the obligations of the parties hereunder shall terminate (other than obligations and liabilities for prior performance thereunder). If Seller claims Force Majeure and is unable to meet all of its sales obligations under this Purchase Order and any other of its coal sales agreements involving coal of a similar type and quality as the coal sold hereunder, or if Buyer claims Force Majeure and is unable to meet all of its purchase obligations under this Purchase Order and any other of its coal and/or coal purchase agreements involving coal and/or coal of a similar type and quality as the coal purchased hereunder for the same generating station, then any reductions in Seller's deliveries or Buyer's purchases (as applicable) shall be allocated by the party claiming Force Majeure on a pro rata basis among this Purchase Order and such other coal and/or coal purchase agreements involving coal of a similar type and quality as the coal to be sold and purchased hereunder to the extent contractually permitted by this Purchase Order and such other agreements. For purposes of this paragraph, the term "Force

"Majure" means an event or circumstance which prevents one party from performing its obligations under this Purchase Order, which is not within the reasonable control of, or the result of the negligence of, the party claiming Force Majeure, and which by the exercise of due diligence, the claiming party is unable to overcome or avoid or cause to be avoided or is unable in good faith to obtain a substitute therefore. Force Majeure shall not be based on: (1) the loss of the Buyer's markets; (2) Buyer's inability economically to use or resell the coal purchased hereunder; (3) the loss or failure of Seller's supply (including, without limitation, adverse mining conditions, or loss of feedstocks or raw materials); (4) the Seller's ability to sell the coal at a price greater than the Base Price; or (5) Buyer's ability to buy the coal at a price less than the Base Price; or (6) Seller's inability to economically produce or obtain the coal.

9. WAIVER

The failure of Buyer or Seller to insist in any one or more instances upon strict performance of any of the provisions of this Purchase Order or to take advantage of any of its rights hereunder shall not be construed as a waiver of any such provisions (now or in the future) or the relinquishment of any such rights, but the same shall continue and remain in full force and effect for the term of this Purchase Order.

10. FINANCIAL RESPONSIBILITY

Either party shall have the right, but not the obligation, to request from the other party audited annual financial statements and quarterly unaudited financial statements. Should the creditworthiness or financial responsibility of either party become unsatisfactory to the other party for reasonable grounds at any time during which this Purchase Order is in effect, satisfactory security may be required before further deliveries/receipts are made under this Purchase Order.

11. EVENT OF DEFAULT AND DAMAGES

(A) If an Event of Default (as hereafter defined) occurs with respect to a party (the "Defaulting Party") at any time during the term of this Purchase Order, the other party (the "Non-Defaulting Party") may, in its sole discretion, do any or all of the following: (i) establish a date (which date shall be no earlier than the date that such notice is given to the Defaulting Party) ("Early Termination Date") on which this Purchase Order shall terminate, (ii) withhold any payments due in respect of this Purchase Order, (iii) suspend performance under this Purchase Order and/or (iv) exercise such other remedies as may be provided in this Purchase Order or at law or in equity. An event of default with respect to any party ("Event of Default") shall mean any of the following: (i) the failure of either party to comply with any or all of its other respective obligations in good faith as herein set forth and such noncompliance is not cured within 10 days after notice thereof to Defaulting Party; (ii) failure to provide adequate security for or assurance of its ability to perform its further obligations under this Purchase Order within 72 hours, of a reasonable written request by the Non-Defaulting Party; (iii) except with respect to Case No. 03-70789-jms either party (a) filing a petition in bankruptcy, (b) having such a petition filed against it, (c) becoming otherwise insolvent or unable to pay its debts as they become due; (iv) the failure of a party's guarantor, if any, to perform any covenant set forth in its guaranty, or such guaranty shall expire or be terminated or shall cease to guarantee the obligations of such party hereunder, or such guarantor shall become subject to any of the events specified in (iii) (a), (b) or (c), or (v) an event described in Section 5(C) (dealing with non-conforming deliveries) shall have occurred.

12. LIMITATION ON LIABILITY

NO WAIVER OF REMEDIES OR DAMAGES HEREIN SHALL APPLY TO CLAIMS OF ANTICIPATORY REPUDIATION OR REMEDIES THEREFOR PROVIDED BY LAW. NEITHER SELLER NOR BUYER SHALL BE LIABLE TO THE OTHER FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS, OR BUSINESS INTERRUPTION DAMAGES, WHETHER BY STATUTE, IN TORT OR IN CONTRACT; PROVIDED THIS PARAGRAPH SHALL NOT APPLY OR BE CONSTRUED TO LIMIT ANY OBLIGATIONS UNDER ANY INDEMNITY OR WARRANTY PROVISION HEREBIN.

13. REMEDIES

- (A) Notwithstanding anything else herein to the contrary, Buyer reserves the right to reject any coal and/or cancel this Purchase Order if the quality and/or quantity requirements are not met and to use any other legal or equitable remedies.
- (B) Buyer's remedies arising from this purchase order are cumulative, and the exercise of any one of them shall not preclude the exercise by Buyer of any other remedy which may be allowed by law or equity.

14. ENTIRE AGREEMENT; MODIFICATIONS

This Purchase Order, the Fuel Purchase Order Terms and Conditions, together with any attachments or exhibits specifically referenced herein (collectively, the "Purchase Order"), constitutes the entire contract between the Seller and the Buyer with respect to the subject matter hereof, supersedes all prior oral or written representations and contracts, and may be modified only by a written amendment signed by Buyer and Seller.

15. COMPLIANCE WITH THE LAW

Seller shall comply with the provisions of all federal, state, and other governmental laws and any applicable order and/or regulations, or any amendments or supplements thereto, which have been, or may at any time be, issued by a governmental agency, including, without limitation:

- a) applicable requirements of Sections 6, 7 and 12 of the Fair Labor Standards Act of 1938, as amended, and of the regulations and orders of the U. S. Department of Labor issued under Section 14 thereof.
- b) federal and state Occupational Safety and Health laws;
- c) regulations of the Public Service Commission of Kentucky and Virginia;
- d) the Equal Opportunity Clause in Section 202, Paragraphs 1 through 7 or Executive Order 11246, as amended, and the implementing Rules and Regulations of the Office of Federal Contract Compliance by all of which are incorporated herein by reference; and
- e) federal and state affirmative action obligations for contractors or subcontractors for minorities and females, handicapped workers and disabled veterans and veterans of the Vietnam Era, and the regulations issued thereunder, as amended from time to time (applicable government affirmative action clauses are incorporated herein by reference); and,

16. GOVERNING LAW

The rights and duties of the parties hereto shall be determined by the laws of the Commonwealth of Kentucky and to that end this agreement shall be construed and considered as a contract made and to be performed in the Commonwealth of Kentucky.

17. NOTICES

Notices provided for or required under this Purchase Order, unless expressly required to the contrary, may be exercised verbally, but shall be confirmed in writing as soon as practicable. The parties shall be legally bound from the date the notification is exercised. Notices provided for or required in writing herein shall be delivered by hand or electronic means or transmitted by facsimile or sent by certified mail, postage prepaid, return receipt requested, or by overnight mail or courier.

Notices hand delivered or delivered by electronic means, shall be deemed delivered by the close of the business day on which it was hand delivered or delivered by electronic means (unless hand delivered or transmitted by electronic means after the close of the business day in which case it shall be deemed received by the close of the next business day). Notices provided by facsimile shall be deemed to have been received upon the sending party's receipt of its facsimile machine's confirmation of a successful transmission. If the day on which such facsimile is received is not a business day or is after five p.m. Eastern Time on a business day, then such facsimile shall be deemed to have been received on the following business day. Notices provided by certified mail, postage prepaid, return receipt requested, or by overnight mail or courier, shall be deemed delivered upon mailing.

18. CHANGES IN LAWS

All coal delivered pursuant to this Purchase Order must meet the standards and specifications as outlined. The specifications as written will meet all the sulfur dioxide standards (both state and federal) that are now applicable to the Buyer's Generating Station for which this coal is being purchased. In the event of any change in any applicable laws or regulations, including but not limited to environmental laws and regulations, or in the interpretation hereof or enforcement practices with respect hereto, Buyer may cancel, in whole or in part, its order or orders for any coal ordered as a result of this Purchase Order and may terminate this Purchase Order without any liability to Seller, other than those with respect to prior performance.

19. NETTING AND SETOFF

If Buyer and Seller are required to pay any amount on the same day or in the same month, then such amounts with respect to each party may be aggregated and the parties may discharge their obligations to pay through netting, in which case the party, if any, owing the greater aggregate amount shall pay to the party owed the difference between the amounts owed. Each party reserves to itself all rights, setoffs, counterclaims, combination of accounts, liens and other remedies and defenses which such party has or may be entitled to (whether by operation of law or otherwise). The obligations to make payments under this Contract and/or any other contract between the parties hereto may be offset against each other, set off or recouped therefrom.

Exhibit A
 Page 1 of 2

EXHIBIT A
SAMPLE COAL PAYMENT CALCULATIONS
 Total Evaluated Coal Costs for Contract No. KU F03975

For contracts supplied from multiple "origins", each "origin" will be calculated individually.

<u>Section I</u>	<u>Base Data</u>
1) Base F.O.B. price per ton:	\$ 35.50 /ton
1a) Tons of coal delivered:	_____ tons
2) Guaranteed average heat content:	13,000 BTU/LB.
2r) As received monthly avg. heat content:	_____ BTU/LB.
2a) Energy delivered in MMBTU:	_____ MMBTU
$\{[(\text{Line 1a}) * 2,000 \text{ lb./ton} * (\text{Line 2r})] * \text{MMBTU}/1,000,000 \text{ BTU}\}$ $\{[\quad] * 2,000 \text{ lb./ton} * [\quad] * \text{MMBTU}/1,000,000 \text{ BTU}\}$	
2b) Base F.O.B. price per MMBTU:	\$ 1.36538 MMBTU
$\{[(\text{Line 1})/(\text{Line 2})] * (1 \text{ ton}/2,000 \text{ lb.})\} * 1,000,000 \text{ BTU/MMBTU}$ $\{[\quad] / \text{ton} / [\quad] \text{ BTU/LB} \} * (1 \text{ ton}/2,000 \text{ lb.}) * 1,000,000 \text{ BTU/MMBTU}$	
3) Guaranteed shipment, max. SO ₂ :	3.00 LBS/MMBTU
3r) Number of tons > 3.00 lbsSO ₂ /Mmbtu	_____ TONS
4) Guaranteed monthly avg. ash	5.38 LBS/MMBTU
4r) As received monthly avg. ash	_____ LBS/MMBTU
5) Guaranteed monthly avg. max. moisture	6.15 LBS/MMBTU
5r) As received monthly avg. moisture	_____ LBS/MMBTU
6) Guaranteed monthly avg. max. sulfur	1.375 LBS/MMBTU
6r) As received monthly avg. sulfur	_____ LBS/MMBTU
<u>Section II</u>	<u>Discounts</u>
Assign a (-) to all discounts (round to (5) decimal places)	
7d) BTU/LB: N/A	
8d) SO ₂ : N/A	\$ _____ /MMBTU
9d) ASH: N/A	\$ _____ /MMBTU
10d) MOISTURE: N/A	\$ _____ /MMBTU
11d) SULFUR: N/A	\$ _____ /MMBTU
	\$ _____ /MMBTU

Exhibit A
Page 2 of 2

Section III

Total Price
Adjustments

Determine total Discounts as follows:

Assign a (-) to all discounts (round to (5) decimal places)

Line 7d:

\$ _____ /MMBTU

Line 8d

\$ _____ /MMBTU

Line 9d

\$ _____ /MMBTU

Line 10d

\$ _____ /MMBTU

Line 11d

\$ _____ /MMBTU

12) Total Discounts (-):

Algebraic sum of above:

\$ _____ /MMBTU

13) Total evaluated coal price = (line 2b) + (line 12)

\$ _____ /MMBTU

14) Total discount price adjustment for Energy delivered:
(line 2a) * (line 12) (-)
_____ MMBTU * \$ _____ /MMBTU =

\$ _____

15) Total base cost of coal

(line 2a) * (line 2b)

_____ MMBTU * \$ _____ /MMBTU =

\$ _____

16) Total coal payment for month
(line 14) + (line 15)

\$ _____

UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF KENTUCKY
PIKEVILLE DIVISION

In re;) Chapter 11
)
COOK & SONS MINING, INC., et al.,) Case No. 03-70789
)
Debtor)

AGREED ORDER

This matter having come before the Court upon the Application of Kentucky Utilities Company ("Claimant"), pursuant to 11 USC §503, for allowance and payment of an administrative expense; it appearing that the Claimant is entitled to the relief requested in the application; the Debtor hereby consenting to the relief requested; and the Court being otherwise sufficiently advised,

IT IS HEREBY AGREED AND ORDERED as follows:

- A. That the Claimant be, and hereby is, allowed an Administrative Expense pursuant to 11 USC § 503(b)(1)(A) in the amount of \$428,504.00 ;
- B. That the Debtor shall pay this claim as and when funds become available for distribution on account of administrative expenses.

HAVE SEEN AND AGREE:

/S/ W. Thomas Bunch
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Calvin R. Tackett
James D. Asher
Atlas Machine & Supply, Inc.
MTAP, Inc.
Lakeland Electric
Orlando Utilities Commission

Pursuant to Local Rule 9022-1(c) the above Debtor's counsel will cause a copy of this order to be served on each of the parties designated to receive this order pursuant to Local Rule 9022(a) and shall file with the court a certificate of service of the order upon such parties within ten days hereof.

The affixing of this Court's electronic seal below is proof this document has been signed by the Judge and electronically entered by the Clerk in the official record of this case.



Signed By:
Joseph M. Scott, Jr.
Bankruptcy Judge
Dated: Monday, June 21, 2004
(jms)

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix A of
Commission's Order Dated June 23, 2004**

Case No. 2004-00213

Question No. 13

Witness: Mike Dotson

- Q-13. a. During the period from November 1, 2003 through April 30, 2004, have there been any changes to KU's written policies and procedures regarding its fuel procurement?
- b. If yes,
- (1) What were these changes?
 - (2) Provide these written policies and procedures as changes.
 - (3) When were these changes made?
 - (4) Why were they made?
- A-13. a. No. The latest copy of the policies and procedures were filed with the Commission as part of the hearing in Case No. 2003-00213.
- b. Not applicable.

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix A of
Commission's Order Dated June 23, 2004**

Case No. 2004-00213

Question No. 14

Witness: Mike Dotson

- Q-14. a. Is KU aware of any violations of its policies and procedures regarding fuel procurement that occurred prior to or during the period from November 1, 2003 through April 30, 2004?
- b. If yes, for each violation:
- (1) Describe the violation.
 - (2) Describe the action(s) that KU took upon discovering the violation.
 - (3) Identify the person(s) who committed the violation.
- A-14. a. No.
- b. Not applicable.

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix A of
Commission's Order Dated June 23, 2004**

Case No. 2004-00213

Question No. 15

Witness: Mike Dotson

Q-15. Identify all changes that occurred during the period from November 1, 2003 through April 30, 2004 in the organizational structure and personnel of the departments or divisions that are responsible for KU's fuel procurement activities.

A-15. None.

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix A of
Commission's Order Dated June 23, 2004**

Case No. 2004-00213

Question No. 16

Witness: John Malloy

- Q-16. a. Identify all changes that KU has made during the period under review to its maintenance and operation practices that also affect fuel usage at KU's generation facilities.
- b. Describe the impact of these changes on KU's fuel usage.
- A-16. a. None.
- b. Not applicable.

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix A of
Commission's Order Dated June 23, 2004**

Case No. 2004-00213

Question No. 17

Witness: Mike Dotson

Q-17. List each written coal supply solicitation issued during the period from November 1, 2003 to April 30, 2004.

- a. For each solicitation, provide the date of the solicitation, the type of solicitation (contract or spot), the quantities solicited, a general description of the quality of coal solicited, the time period over which deliveries were requested, and the generating unit(s) for which the coal was intended.
- b. For each solicitation, state the number of vendors to whom the solicitation was sent, the number of vendors who responded, and the selected vendor. Provide the bid tabulation sheet or corresponding document that ranked the proposals. (This document should identify all vendors who made offers.) State the reasons for each selection.

A-17. SOLICITATION #1

- a. Date: March 1, 2004
Contract/Spot: Contract or Spot
Quantities: No minimum or maximum specified
Quality: Suitable for KU's Tyrone station.
Period: Up to 5 years
Generating Units: KU's Tyrone station.
- b. March 1, 2004 Solicitation:
Number of vendors receiving bids: 78
Number of vendors responded: 4
Selected vendor(s): LEX Coal, Inc./KUF04009

The requested bid analysis information is confidential and proprietary information and is being filed with the Commission under seal pursuant to a Petition for Confidential Protection.

SOLICITATION #2

- a. Date: March 24, 2004
Contract/Spot: Contract or Spot
Quantities: No minimum or maximum specified
Quality: Suitable for KU's E.W. Brown station.
Period: Up to 5 years
Generating Units: KU's E.W. Brown station.

- b. March 24, 2004 Solicitation:
Number of vendors receiving bids: 163

Number of vendors responded: 12

Selected vendor(s): The final selection of the vendors has not been made at this time. Negotiations are still in progress. The names of the selected vendors and the supporting bid tabulation sheet will be provided to the Commission after the negotiations are complete and the vendors chosen.

SOLICITATION #3

- a. Date: April 14, 2004
Contract/Spot: Contract or Spot
Quantities: No minimum or maximum specified
Quality: Suitable for KU's Ghent station compliance units 2,3,4 and Green River Station units.
Period: Up to 5 years
Generating Units: KU's Ghent station units 2,3,4 and Green River station.

- b. April 14, 2004 Solicitation:
Number of vendors receiving bids: 186

Number of vendors responded: 15

Selected vendor(s): The final selection of the vendors has not been made at this time. Negotiations are still in progress. The names of the selected vendors and the supporting bid tabulation sheet will be provided to the Commission after the negotiations are complete and the vendors chosen.

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix A of
Commission's Order Dated June 23, 2004**

Case No. 2004-00213

Question No. 18

Witness: Mike Dotson

Q-18. List each oral coal supply solicitation issued during the period from November 1, 2003 to April 30, 2004.

- a. For each solicitation, state why the solicitation was not written, the date(s) of the solicitation, the quantities solicited, a general description of the quality of coal solicited, the time period over which deliveries were requested, and the generating unit(s) for which the coal was intended.
- b. For each solicitation, identify all vendors solicited and the vendor selected. Provide the tabulation sheet or other document that ranks the proposals. (This document should identify all vendors who made offers.) State the reasons for each selection.

A-18. a. None.

b. Not applicable.

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix A of
Commission's Order Dated June 23, 2004**

Case No. 2004-00213

Question No. 19

Witness: John Malloy

- Q-19. a. List all intersystem sales during the period under review in which KU used a third party's transmission system.
- b. For each sale listed above,
- (1) Describe how KU addressed for fuel adjustment clause reporting purposes the cost of fuel expended to cover any line losses incurred to transmit its power across the third party's transmission system.
 - (2) State the line loss factor used for each transaction and describe how such line loss factor was determined.

A-19. All third party transmission purchases to deliver outside of the LGE/KU system go through Midwest Independent System Operator Inc. (MISO). Losses are considered part of off-system sales and are included in the AFB process to determine fuel expense for off-system sales. The volumes of losses generated for sales during Nov 03 through Apr 04 are:

Nov 2003	2,160 MWH
Dec 2003	2,681 MWH
Jan 2004	4,010 MWH
Feb 2004	3,069 MWH
Mar 2004	1,986 MWH
<u>Apr 2004</u>	<u>811 MWH</u>
Total	14,717 MWH

These volumes of losses are the daily sums of the required generation for transmission losses over systems outside of the LGE/KU control area. The line loss factors are dynamically calculated by MISO for each individual transaction. As such, there isn't a single loss factor that can be quoted.

The average loss factor for third-party off-system sales subject to transmission line losses in MISO is 1.36%.

KENTUCKY UTILITIES COMPANY

**Response to Information Requested in Appendix A of
Commission's Order Dated June 23, 2004**

Case No. 2004-00213

Question No. 20

Witness: Robert M. Conroy

Q-20. Describe each change that KU made during the period under review to its methodology for calculating intersystem sales line losses.

A-20. None.